



AGENDA

REGULAR MEETING OF THE BANNING CITY COUNCIL CITY OF BANNING, CALIFORNIA

**April 14, 2020
5:00 p.m.**

Video/Teleconference Meeting

The following information comprises the agenda for the regular meeting of the Banning City Council, a joint meeting of the City Council and the Banning Utility Authority, and the Banning City Council sitting in its capacity of the Successor Agency Board.

SPECIAL NOTICE
THIS IS A VIDEO AND/OR TELECONFERENCE MEETING ONLY
AND WILL NOT BE HELD IN THE COUNCIL CHAMBER

Due to the COVID-19 pandemic emergency, and to protect the health and safety of all participants, this meeting is being held only as a Video/Teleconference Meeting rather than as an in-person meeting. Pursuant to Governor Newsom's Executive Order N-25-20, members of the Banning City Council, staff and public may observe and participate in this meeting electronically or telephonically and without any physical gathering in a particular meeting room. Furthermore, because the Governor's Executive Order N-33-20 prohibits all public gatherings regardless of venue or size, the Council Chambers will not be open to the public for this meeting and instead, the Councilmembers, staff and public will be able to observe and participate in this meeting in one of the following ways listed below:

To observe and participate in the on-line video portion of the meeting through your personal computer or device enter the following or click on the link:

<https://join.freeconferencecall.com/cityofbanning>

Online meeting ID: cityofbanning

To just listen to the meeting or to offer audio comments only when recognized for that purpose: Dial-in number: (617) 793-8135

If the you receive a busy signal, text CALL ME to the Dial-In number above. For additional assistance connecting to the meeting text "Help" to the Dial-In number above.

Message and data rates may apply

To observe the live meeting through your personal computer but not participate with video or oral comments, you may use your computer or smart phone to enter the following or click on the link: <https://banninglive.viebit.com/?folder=ALL>
or on the Banning Government Channel on Cable Television

You may also Email comments to: sdela Fuente@banningca.gov

Per City Council Resolution 2016-44, matters taken up by the Council before 10:00 p.m. may be concluded, but no new matters shall be taken up after 10:00 p.m. except upon a unanimous vote of the council members present and voting, but such extension shall only be valid for one hour and each hour thereafter shall require a renewed action for the meeting to continue.

I. CALL TO ORDER

1. Invocation
2. Pledge of Allegiance
3. Roll Call: Councilmembers Happe, Pingree, Wallace, Welch, and Mayor Andrade

II. AGENDA APPROVAL

III. PRESENTATION(S)

None

IV. REPORT ON CLOSED SESSION

City Attorney

V. PUBLIC COMMENTS, CORRESPONDENCE, AND APPOINTMENTS

PUBLIC COMMENTS – *On Items Not on the Agenda*

A five (5) minute limitation shall apply to each member of the public who wishes to address the Mayor and Council on a matter not on the agenda. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. Usually, any items received under this heading are referred to staff for future study, research, completion and/or future Council Action (see last page). PLEASE STATE YOUR NAME FOR THE RECORD.

CORRESPONDENCE

Items received under this category may be received and filed or referred to staff for future research or a future agenda.

APPOINTMENTS

None

VI. CONSENT ITEMS

(The following items have been recommended for approval and will be acted upon simultaneously, unless a member of the City Council/Banning Utility Authority wishes to remove an item for separate consideration.)

Mayor to Open Consent Items for Public Comments

Motion: Approve Consent items 1 – 18: Items ____, ____, ____ to be pulled for discussion.

(Resolutions require a recorded majority vote of the total membership of the City Council/Banning Utility Authority/Successor Agency)

1.	Minutes – March 24, 2020, Special Meeting (Closed Session).....	1
2.	Minutes – March 24, 2020, Regular Meeting	5
3.	Proclamation –Arbor Day is April 24, 2020	23
4.	Field Use & Scheduling and Exchange of Service Policies.....	25
5.	Settlement of the California Parties’ Refund Case – City of Banning Electric Utility	29
6.	Resolution 2020-41, Declaring Pursuant to Government Code Section 54221 that Real Property Owned by the City Located at the Northeast Corner of Highland Springs Road and Sun Lakes Boulevard (APN: 491-140-041) is Surplus Land and Not Necessary for the City’s Use, Finding that Such Declaration is Exempt from Environmental Review Under the California Environmental Quality Act, and Taking Related Actions.....	31
7.	Resolution 2020-42, Declaring Pursuant to Government Code Section 54221 Real Property Owned by the City Located at 150 E. Ramsey Street is Surplus Land and Not Necessary for the City’s Use, Finding that Such Declaration is Exempt from Environmental Review Under the California Environmental Quality Act, and Taking Related Actions	37
8.	Resolution 2020-53, Authorizing the Police Department to Renew the Contract with Airwave Communications for the Police Department Two-Way Radios and Radio System.....	43
9.	Appropriation of Funds and an Increase in the Annual Aggregate “Not to Exceed” Amount for the Purchase of Tires and Related Services for the Remainder of Fiscal Year 2019/2020.....	45
10.	Amendment No. 3 to the Professional Services Agreement with Stantec Consulting Services, Inc. for an Additional \$25,200 for the Design of the Reconstruction and Widening of Ramsey Street and Hathaway Street and Extend the Contract Term for an Additional 12 Months	47
11.	Resolution 2020-43, Approving an Agreement with Pyro Spectaculars, Inc., for Production of the Fourth of July Aerial Fireworks Display	49

12.	Resolution 2020-48, Awarding a Professional Services Agreement for the Design of the Sun Lakes Boulevard Extension from Highland Home Road to Sunset Avenue, to Albert A. Webb Associates in the Amount of \$548,416.05 and Approving a 10% Contingency for a Total Project Budget of “Not-to-Exceed” \$603,258.05	51
13.	Resolution 2020-47, Approving the Measure “A” Five Year Capital Improvement Plan Project List and Authorizing the City Manager to Execute the Maintenance of Effort Certification Statement.....	55
14.	Resolution 2020-45, Declaring the Intention to Levy and Collect Assessments for Fiscal Year 2020/2021, Approving the Engineer’s Report and Setting the Date for the Public Hearing for Landscape Maintenance District No. 1	59
15.	Determination of Public Convenience and Necessity for the Sales of Beer and Wine (Type 20) in a Proposed Convenience Store that Sells Gasoline (7-Eleven) Located at 3251 West Ramsey Street; (APN 537-090-064) in the General Commercial (GC) Zoning District 11	63
16.	Resolution 2020-50, Authorizing the Police Department to Purchase One (1) Chevrolet Tahoe Utility Patrol Vehicle through National Auto Fleet Group.....	67
17.	Resolution 2020-51, Authorizing the Police Department to Purchase Three (3) Ford Police Interceptor Utility Patrol Explorers through Fritts Ford under Riverside County PUARC #1634.....	69
18.	Resolution 2020-52, Authorizing the Police Department to Use Innovative Emergency Equipment to Outfit Four (4) New Police Vehicles with Emergency and Safety Equipment in an Amount Not to Exceed \$13,416 per Vehicle for the Three (3) Ford Interceptors and \$14,760 for the One (1) Chevy Tahoe, or \$55,008 Overall, Under Riverside County Contract #SHARC-05516-006-09/24	71

VII. **PUBLIC HEARING(S):**

1.	Twelve (12) Month Extension for Tentative Parcel Map 33326.....	73
	<i>(Staff Report: Adam Rush, Community Development Director)</i>	
	<u>Recommendation:</u> Adopt Resolution 2020-29, approving a twelve (12) month extension for Tentative Parcel Map 33326, located generally north of Sun Lakes Boulevard and east of Highland Springs Avenue; APN 419-140-056.	

2.	Emergency Medical Services Billing Program Fee	77
	<i>(Staff Report: Jennifer Christensen, Administrative Services Director)</i>	
	<u>Recommendation:</u> Adopt Resolution 2020-39, approving the emergency medical services billing program fee schedule and related write-off policy.	

VIII. ANNOUNCEMENTS AND REPORTS:

CITY COUNCIL COMMITTEE REPORTS

REPORT BY CITY ATTORNEY

REPORT BY CITY MANAGER

REPORTS OF OFFICERS

1. Consideration of Zoning Text Amendment No. 20-97501; Amending Section 3.17.050 of Title 3 to Reduce the Tax Rate on Cannabis Cultivation Facilities, Amending Chapter 5.33 of Title 5 to Establish Procedures for Additional Applications, and Amending Chapter 17.21 and 17.54 of Title 17 to Allow Cannabis Retailers to Operate in the General Commercial Zone and Amend the Development Standards Therein..... **79**

(Staff Report: Adam Rush, Community Development Director)

Recommendation: Refer ordinance amendment to a Planning Commission public hearing in compliance with Title 17 of the Banning Municipal Code.

2. Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the City of Banning, Banning Utility Authority and the Successor Agency; the Capital Improvement Program for Fiscal Years 2019-2020; and Amending the Classification and Compensation Plan **85**

(Staff Report: Jennifer Christensen, Administrative Services Director)

Recommendation: 1) Adopt Resolution No. 2020-46 approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the City of Banning; 2) Adopt Resolution No. 2020-05 UA approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the Banning Utility Authority; 3) Adopt Resolution No. 2020-04 SA approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the Banning Successor Agency; 4) Adopt Resolution No. 2019-49 Amending the Classification and Compensation Plan; and 5) Authorize the City Manager, Administrative Services Director, Executive Director or designee to make necessary budget adjustments, appropriations, and transfers.

3. Emerging Fiscal Issues..... **93**
(Staff Report: Jennifer Christensen, Administrative Services Director)

Recommendation: Receive and file a report on Emerging Fiscal Issues for the Fiscal Years Ending 2021 and 2022 budget for the City of Banning.

4. Contribution to Emergency Food Distribution Program..... **99**
(Staff Report: Douglas Schulze, City Manager)

Recommendation: Discuss and consider a contribution to the Chamber of Commerce Emergency Food Distribution Program.

IX. DISCUSSION ITEM

None

X. ITEMS FOR FUTURE AGENDAS

New Items:

Pending Items:

1. Fee Suspension Update
2. Website Redesign
3. CNG Facility Update
4. New Energy Workshop
5. Planning Commissioner Schuler's Continued Service

XI. ADJOURNMENT

Next Meeting – Tuesday, April 28, 2020 at 5:00 P.M.

NOTICE: Any member of the public may address this meeting of the Mayor and City Council on any item appearing on the agenda by approaching the microphone in the Council Chambers and asking to be recognized, either before the item about which the member desires to speak is called, or at any time during consideration of the item. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public.

Any member of the public may address this meeting of the Mayor and Council on any item which does not appear on the agenda but is of interest to the general public and is an item upon which the Mayor and Council may act. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. The Mayor and Council will in most instances refer items of discussion which do not appear on the agenda to staff for appropriate action or direct that the item be placed on a future agenda of the Mayor and Council. However, no other action shall be taken, nor discussion held by the Mayor and Council on any item which does not appear on the agenda, unless the action is otherwise authorized in accordance with the provisions of subdivision (b) of Section 54954.2 of the Government Code.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk’s Office (951)-922-3102. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II]

Pursuant to amended Government Code Section 54957.5(b) staff reports and other public records related to open session agenda items are available on the City’s website at www.banningca.gov or via email or regular mail by calling (951) 922-3102 or emailing sdelafuente@banningca.gov in the Office of the City Clerk during regular business hours, Monday through Friday, 8 a.m. to 5 p.m. and requesting a copy.

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In accordance with City Council Resolution 1995-21, the minutes of meetings of the City Council and the Boards, Commissions, and Committees of the City shall be prepared as Action Minutes.

MINUTES
CITY COUNCIL
BANNING, CALIFORNIA

03/24/2020
SPECIAL MEETING - CLOSED SESSION

COUNCIL MEMBERS PRESENT:

Mayor Andrade
Councilmember Happe
Councilmember Pingree
Mayor Pro Tem Wallace
Councilmember Welch

COUNCIL MEMBERS ABSENT:

None

OTHERS PRESENT:

Douglas Schulze, City Manager (via teleconference)
Kevin G. Ennis, City Attorney
Sonja De La Fuente, Deputy City Clerk

I. CALL TO ORDER

A special meeting of the Banning City Council was called to order by Mayor Andrade on March 24, 2020, at 4:00 P.M. at the Banning City Council Chamber, 99 E. Ramsey Street, Banning, California.

II. CLOSED SESSION

The Mayor opened the closed session items for public comments.

Diego Rose thanked the Council for continuing to conduct meetings.

Seeing no further comments, the Mayor closed public comments.

The City Attorney listed the items on the closed session Agenda as follows:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Section 54956.9

Name of Case: City of Banning, et al. v. Cali Emerald Care, Inc., et al. Case No. RIC 1904157

2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Section 54956.9

Name of Case: James Arthur Algea II and Cali Emerald Care, Inc. v. City of Banning, Case No. RIC 1903009

3. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Section 54956.9

Name of Case: Supporters Alliance for Environmental Responsibility (SAFER) v. City of Banning, et al. (Lawrence Equipment Project), Case No. RIC 1903059

4. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Properties: Northeast Corner of Highland Springs Road and Sun Lakes Boulevard (APN: 419-140-041)

City Negotiator: Douglas Schulze, City Manager

Negotiating Parties: Sage Investco

Under Negotiation: Price and terms for potential sale of City-owned property to Sage Investco

5. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Properties: 447 E. Ramsey Street (APN: 541-150-004)

City Negotiator: Douglas Schulze, City Manager

Negotiating Parties: Property Owner, Shi Pingdong

Under Negotiation: Price and terms for potential acquisition of property

6. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Properties: 553 E. Ramsey Street (APN: 541-150-010)

City Negotiator: Douglas Schulze, City Manager

Negotiating Parties: Property Owner, DBBF Enterprises

Under Negotiation: Price and terms for potential acquisition of property

7. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Properties: 3724 W. Ramsey Street (APN: 537-090-046)

City Negotiator: Douglas Schulze, City Manager

Negotiating Parties: Property Owner, Yps Properties, LLC

Under Negotiation: Price and terms for potential acquisition of property

City Council convened to Closed Session at 4:02 p.m.

II. ADJOURNMENT

By consensus, the meeting adjourned at 4:56 p.m.

Minutes Prepared by:

Sonja De La Fuente

Sonja De La Fuente, Deputy City Clerk

***The entire discussion of this meeting may be viewed by visiting
<https://banninglive.viebit.com/player.php?hash=TNvLYwlqG4H>. Related
documents may be found by visiting
<http://banningca.gov/Archive.aspx?AMID=&Type=&ADID=2269> or by purchasing a
CD or DVD at Banning City Hall in the amount of \$7.00, located at 99 E. Ramsey
Street.***

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The following information comprises the minutes for the regular meeting of the City Council, a joint meeting of the Banning City Council and Banning Utility Authority and a joint meeting of the Banning City Council and the Banning City Council sitting in its capacity as the Successor Agency Board.

MINUTES
CITY COUNCIL

03/24/2020
REGULAR MEETING

COUNCIL MEMBERS PRESENT: Mayor Andrade
Mayor Pro Tem Wallace
Councilmember Happe
Councilmember Pingree
Councilmember Welch

COUNCIL MEMBERS ABSENT: None

OTHERS PRESENT Douglas Schulze, City Manager (via teleconference)
Kevin G. Ennis, City Attorney
Sonja De La Fuente, Deputy City Clerk
Jennifer Christensen, Administrative Services Director
Art Vela, Public Works Director/City Engineer
Adam Rush, Community Development Director
Leila Lopez, Office Specialist

I. CALL TO ORDER

A regular meeting of the Banning City Council was called to order by Mayor Andrade on March 24, 2020, at 5:03 p.m. at the Banning City Council Chamber, 99 E. Ramsey Street, Banning, California.

Councilmember Welch offered the invocation.

Councilmember Pingree led the audience in the Pledge of Allegiance.

The Deputy City Clerk read the Safety Alert as follows:

"If you have traveled internationally, particularly to China, Italy, Iran, Japan, South Korea, Taiwan, and/or you have had direct contact with someone who has travelled to those places or tested positive for Coronavirus (COVID-19), or you are experiencing symptoms such as coughing, sneezing, fever, difficulty breathing or other flu-like symptoms, please do not attend this meeting in person. You may submit comments on any agenda item or on any item not on the agenda in writing via mail to "city council" at PO Box 998, Banning, CA 92220 or by email to sdelafuente@banningca.gov.

If you are in the group of individuals who may be most vulnerable to COVID-19, including those over the age of 60 and those with underlying health conditions, including but not limited to lung, heart, immuno-compromised, diabetes, or other conditions that could interfere with your ability to fight COVID-19, please consider carefully before attending this meeting in person and keep a six-foot distance from others as much as possible."

II. AGENDA APPROVAL

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Welch, to approve the agenda. Roll Call vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

III. PRESENTATION(S)

1. Organics & Recycling Update

Public Works Director Art Vela introduced Carrie Baxter with R3 Consulting Group who provided a presentation via teleconference regarding unfunded mandates and services the City will be required to provide the community related to solid waste.

IV. REPORT ON CLOSED SESSION

The City Attorney reported that the City Council only discussed two of the five items on the Closed Session Agenda as follows:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Section 54956.9

Name of Case: City of Banning, et al. v. Cali Emerald Care, Inc., et al. Case No. RIC 1904157. **A status report was provided.**

2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Section 54956.9

Name of Case: James Arthur Algea II and Cali Emerald Care, Inc. v. City of Banning, Case No. RIC 1903009. ***A status report was provided.***

3. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Section 54956.9

Name of Case: Supporters Alliance for Environmental Responsibility (SAFER) v. City of Banning, et al. (Lawrence Equipment Project), Case No. RIC 1903059. ***The case has been settled with terms favorable to the City and the lawsuit has been dismissed.***

4. CONFERENCE WITH PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Properties: Northeast Corner of Highland Springs Road and Sun Lakes Boulevard (APN: 419-140-041)

City Negotiator: Douglas Schulze, City Manager

Negotiating Parties: Sage Investco

Under Negotiation: Price and terms for potential sale of City-owned property to Sage Investco. ***Direction was given to the City's negotiator.***

5. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Properties: 447 E. Ramsey Street (APN: 541-150-004)

City Negotiator: Douglas Schulze, City Manager

Negotiating Parties: Property Owner, Shi Pingdong

Under Negotiation: Price and terms for potential acquisition of property. ***Direction was given to the City's negotiator.***

6. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Properties: 553 E. Ramsey Street (APN: 541-150-010)

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7. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Properties: 3724 W. Ramsey Street (APN: 537-090-046)

City Negotiator: Douglas Schulze, City Manager

Negotiating Parties: Property Owner, Yps Properties, LLC

Under Negotiation: Price and terms for potential acquisition of property. ***Direction was given to the City's negotiator.***

V. PUBLIC COMMENTS, CORRESPONDENCE, AND APPOINTMENTS

PUBLIC COMMENT(S)

Mayor Andrade opened Public Comment for items not on the Agenda.

Frank Connelly spoke on behalf of the Vista Serena Homeowners Association to determine the status of their application to develop 34 acres and the checks submitted. He provided a copy of the email to the Deputy City Clerk (Attachment 1).

Diego Rose, resident and business owner, expressed his confusion with the statewide order related to the Coronavirus requesting voluntary compliance and recommended everyone get on the same page.

Seeing no further comments, the Mayor closed Public Comments.

Community Development Director Adam Rush advised staff will look into Mr. Connelly's concern and follow-up with him.

CORRESPONDENCE

None

APPOINTMENT(S)

None

VI. CONSENT ITEMS

1. Minutes – March 10, 2020, Special Meeting (Closed Session)
2. Minutes – March 10, 2020, Regular Meeting
3. Approval and Ratification of Accounts Payable and Payroll Warrants Issued in the Month of February 2020
4. Cash Investments and Reserve Report for the Month of February 2020
5. Capital Improvement Project Update
6. Police Department Statistics for February 2020
7. Fire Department Statistics for February 2020
8. Contracts Approved Under City Manager Signature Authority for the Month of February 2020

9. Ordinance 1559, an Ordinance of the City of Banning, California, Amending Title 17 ("Zoning") of the Banning Municipal Code to Update the City's Development Standards for Accessory Dwelling Units and Establish Development Standards for Junior Accessory Dwelling Units Consistent with State Law, and Making a Determination of Statutory Exemption Under CEQA Section 2108.17 and CEQA Guidelines Section 15282(H) (2nd Reading)
10. Ordinance 1561, an Ordinance of the City of Banning, California, Amending Section 1.08.10 of the Banning Municipal Code Pertaining to the Design and Restrictions for Use of the City Seal and Penalties for Misuse Thereof (2nd Reading)
11. Accept the Right of Way Dedication from Banning Industrial L.P. for Public Road and Utility Purposes on Assessor's Parcel Numbers 532-130-001 and 532-130-015 for John Street Improvements
12. Accept the Right of Way Dedication from O'Reilly's Auto Enterprises, LLC for Public Road and Utilities Purposes on Assessor's Parcel Number 538-182-008-1 (2929 W. Ramsey Street)
13. Resolution 2020-34, Awarding IFB No. 20-005 for Banning Electric Utility's Public Benefits Lease of a 2020 Hyundai Kona Ultimate Electric Vehicle to Ontario Hyundai in an Amount Not to Exceed \$37,268.59 for a Three-Year Term
14. Notice of Completion for Project No. 2019-01W, "Pelton Wheel and Well Repairs"
15. Notice of Completion for Project No. 2018-07W, "Altitude Valve at Southwest Reservoir"
16. Award a Construction Contract for Project No. 2020-01WW "Wastewater Treatment Plant Mechanical Bar Screen" to Cora Construction, Inc. in the Amount of \$232,000, Establishing a Total Project Budget of \$255,200, and Rejecting All Other Bids
17. Resolution 2020-35, Ratifying the Director of Emergency Services; Proclamation of the Existence of a Local Emergency Due to the Novel Coronavirus (COVID-19) Under Government Code Section 8630 and Chapter 2.48 of the Banning Municipal Code
18. Resolution 2020-36, Approving the First Amendment to Professional Services Agreement C00158 with Utility Tree Service, Inc. to Include One Additional Year and Increasing the Spend for an Additional \$150,000
19. Approve a Professional Services Agreement with Cartegraph in the Amount of \$42,176.66 to Update Asset Management Software to Web-Based Operations Management System

Public Comments

None

A motion was made by Councilmember Welch, seconded by Mayor Pro Tem Wallace. Electronic vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Approved Consent Items 1-19.

VII. PUBLIC HEARING(S)

1. Resolution 2020-37, Adopting a Negative Declaration (Environmental Assessment 19-1503) and Approving Proposed General Plan Amendment 19-2502 for a Proposed General Plan Circulation Element Amendment for the Extension of Sun Lakes Boulevard in the City of Banning, California (APN's 537-110-007, 537-110-008, 537-110-009 and 537-110-0100)

Adam Rush, Community Development Director provided the staff report and PowerPoint presentation (Attachment 2) for this item.

Public Hearing

Seeing nobody come forward, the Mayor closed the Public Hearing

A motion was made by Councilmember Welch, seconded by Councilmember Happe to adopt Resolution 2020-37. Electronic vote was taken as follows:

AYES:	Andrade, Happe, Pingree, Wallace & Welch
NOES:	None
ABSTAIN:	None
ABSENT:	None

Action: Adopted Resolution 2020-37.

VIII. ANNOUNCEMENTS AND REPORTS

CITY COUNCIL COMMITTEE REPORTS

Councilmember Happe advised he is a small business owner and can appreciate Mr. Rose's pain. He provided the public with some helpful websites (i.e. <https://covid19.ca.gov>, <https://www.cdc.gov>) for general information and recommended the guide for business resources that can be found on the State of California's website for business owners. He also indicated that his wife is a frontline healthcare provider and emphasized the importance of doing the right

thing to slow down the spread of the Coronavirus. He encouraged people to contact their state and national representatives to encourage them to make this about community, not tribal, and that it is time to come together. Finally, he encouraged everyone to participate in Census2020 and stressed the importance of the data provided for the community.

Councilmember Welch expressed his agreement with Councilmember Happe. Last week he attended a meeting sponsored by the Banning Chamber of Commerce where an effort is being considered and coordinated with Table of Plenty and Carol's Kitchen to hopefully provide food at the Community Center in the very near future.

Councilmember Pingree advised that he attended the last Student of the Month program and encouraged people to go when the program begins again. He also attended the grand opening of Superior Barber Shop.

Mayor Pro Tem Wallace reported that she was a guest speaker at Banning High School two weeks ago to encourage the students. She also encouraged them to come to City Council meetings once the restrictions are over, as they are the future. She advised that free meals for seniors are being provided at the Community Center on Mondays and Fridays, but they must call Parks and Recreation first.

Mayor Andrade reported on the following:

- Attended a program at Nicolet Middle School where the author of Next Level Teaching spoke.
- Attended the Student of the Month program.
- Attended the Ribbon Cutting for Superior Barbershop.
- Spoke with County Supervisor Jeff Hewitt and requested they do something for the small businesses.
- Expressed understanding for Mr. Rose's concerns but encouraged everyone to do their part to slow/stop the spread of the Coronavirus.
- Invited to attend weekly meetings with cities and other mayors and city leaders to keep updated on COVID-19. Will report out after the meetings start.
- Thanked all City staff for doing an outstanding job.
- Thanked the Community for caring for each other.
- Encouraged all to support local business.

REPORT BY CITY ATTORNEY

City Attorney Kevin Ennis reported on the following:

- The California Governor has issued a Stay at Home Order. Within that order is a list with 16 essential business categories that are exempt from that

order. The Riverside County Health Officer together with the County Counsel has been very helpful keeping the City Attorney's office updated.

- The Chief Justice of the California Supreme Court announced today that there would be a 60-day extension of trials and criminal arraignments.
- The Governor has provided relaxation provisions related to the Brown Act allowing for video/teleconferencing City Council Meetings. The City Manager is looking into providing this for future meetings without the presence in the Council Chamber. Notices will be provided and opportunity for the public to participate in those through video/telephone will also be provided.

REPORT BY CITY MANAGER

City Manager Doug Schulze reported on the following:

- Regarding the Coronavirus (COVID-19), Riverside County Public Health Officer's Order has restricted gatherings of more than 10 people and restricted dining in restaurants.
- City Facilities have been closed to the public and operations have moved to virtual/electronic/remote operations to the fullest extent possible. Those that can work remotely have been authorized and set-up to do so as of last Tuesday.
- Parks & Recreation staff have stepped up to make sure the senior community is cared for. Five days of prepared frozen meals can be picked up by regularly attending seniors on Wednesdays from 11:00 a.m. until 1:00 p.m. at the Senior Center. The food pantry is also available where seniors may pick up one bag of non-perishable items per senior per week on Mondays and Wednesdays from 9:30 a.m. until 11:30 a.m. Staff is also calling and checking on seniors regularly.
- Transit routes have been modified and encouraged the community to check with the City's transit division regarding routes.
- Participating in daily briefings with the White House, State and County agencies.
- Riverside County cities will be meeting weekly.
- Working with the Chamber of Commerce to get information to the business community regarding various regulations and programs available.
- Encouraged the community to visit the City's website related to COVID-19: <https://banningca.gov/606/COVID-19-Coronavirus-Alerts> which includes information from public and private entities.
- A video/teleconferencing platform is being considered for the April 14, 2020, City Council Meeting.
- The need for a Public Information Officer has been emphasized by the COVID-19 issue.

REPORTS OF OFFICERS

1. Resolution 2020-38, Adopting the City of Banning Pandemic Influenza Preparedness Plan, Including Provisions Allowing for Pandemic Sick Leave

City Manager Douglas Schulze provided the staff report regarding this item.

Public Comment

None.

A motion was made by Councilmember Happe, seconded by Councilmember Welch, adopt Resolution 2020-38. Electronic vote was taken as follows:

AYES: Andrade, Happe, Pingree, Wallace & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Adopted Resolution 2020-38.

2. Emergency Medical Services Billing Fee.

Administrative Services Director Jennifer Christensen provided the staff report for this item.

There was a brief discussion held between Council and staff.

Public Comment

None

A motion was made by Mayor Pro Tem Wallace, seconded by Councilmember Pingree, directing staff to return with a resolution to implement an Emergency Medical Services Billing Program Fee and Related Write-Off Policy. Electronic vote was taken as follows:

AYES: Andrade, Happe, Pingree, Wallace & Welch
NOES: None
ABSTAIN: None
ABSENT: None

Action: Directed staff to return with a resolution and related policy.

IX. DISCUSSION ITEM

None

CITY COUNCIL – Next Meeting, April 14, 2020, 5:00 p.m.

X. ITEMS FOR FUTURE AGENDAS

Councilmember Happe asked the Council to consider Inge Schuler's continued service on the Planning Commission at an upcoming meeting.

XI. ADJOURNMENT

By consensus, the meeting was adjourned at 6:22 p.m.


Minutes Prepared by:

Sonja De La Fuente

Sonja De La Fuente, Deputy City Clerk

***The entire discussion of this meeting may be viewed here:
<https://banninglive.viebit.com/player.php?hash=le4w7dUqv5zX>. Any related
documents maybe viewed here:
<http://banningca.gov/ArchiveCenter/ViewFile/Item/2270> or by purchasing a CD or DVD
in the amount of \$7.00 at Banning City Hall located at 99 E. Ramsey Street.***

ATTACHMENT 1

Rec'd 3/24/2020 

~~From: Geoff Payne <gpayne@tahitipartners.com>~~
Sent: Mon, Mar 23, 2020 7:59 pm
Subject: Fwd: Vista Serena 32 Finished Lots ✓

*Attention -
City Council ✓
City Manager ✓
Thank You!*

Hi Frank

We seem to have entered the black hole. Would appreciate you contacting the city council lady to see if she has any input on our project.

Thank you

----- Forwarded message -----

From: **Geoffrey Payne** <gpayne@tahitipartners.com> ✓
Date: Mon, Mar 23, 2020 at 5:47 PM
Subject: Vista Serena 32 Finished Lots
To: Adam Rush <arush@banningca.gov>, Sonia Pierce <spierce@banningca.gov>
Cc: Tahiti Accounting <tahitipartnersaccounting@tahitipartners.com>

As you know, months ago we gave the City two checks as part of our processing our application. Specifically, we gave the City the following checks:

- Check Number 1018 issued to the City of Banning for \$1,086 on 08.30.19
- Check Number 1019 issued to the City of Banning for \$619 on 08.30.19

As of the date of this email, neither check has been cashed. Some banks would consider the checks stale after six months, which date has already passed. Could you please advise about the status of these checks and about our application. Thank you.

Geoffrey S. Payne
Tahiti Partners Properties Corp.
Cal. Broker's Lic. No. 827404
Ok. Broker's Lic. No. 144955
3711 Long Beach Blvd., Ste. 925
Long Beach, CA 90807 ✓
Phone (562) 433-1286 ✓
Fax (562) 433-8926 ✓
Cell (562) 824-4500 ✓

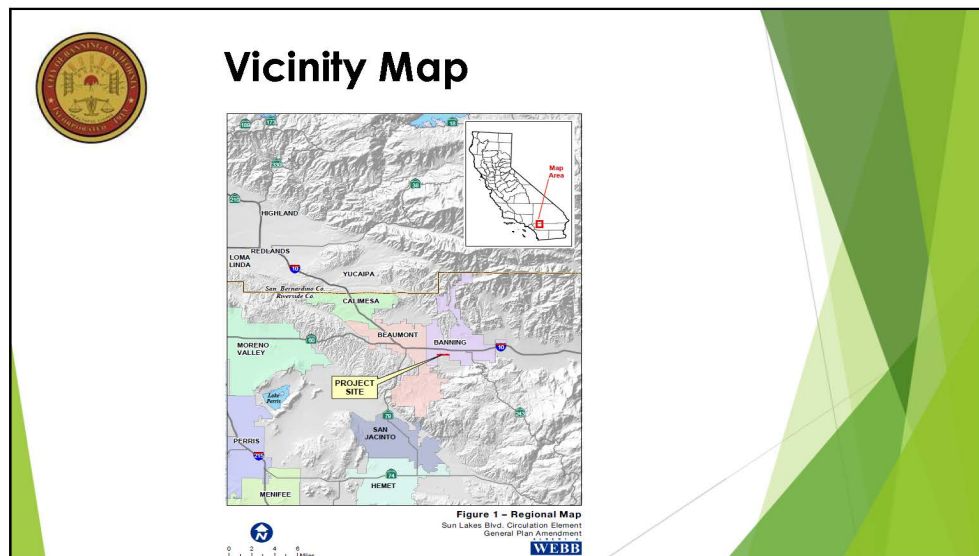
CONFIDENTIALITY NOTE: This e-mail, and any attachment, contains information which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity to which it is addressed. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or the taking of any action in reliance on the contents of this e-mail, is strictly prohibited. Thank you.

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ATTACHMENT 2

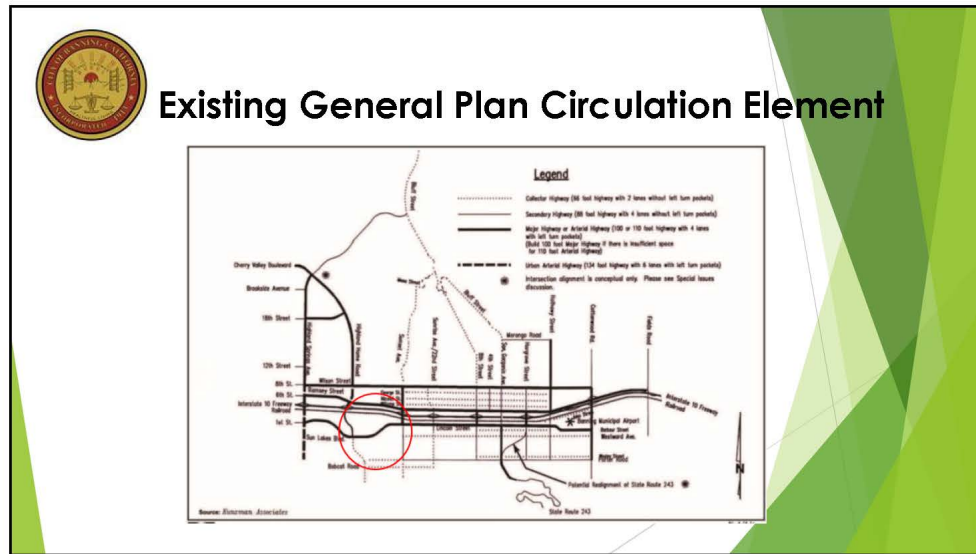


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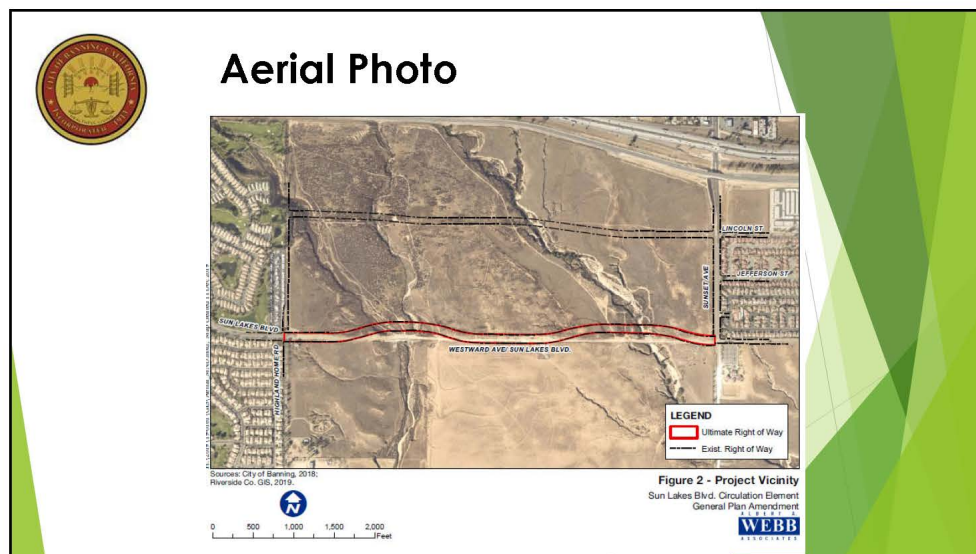


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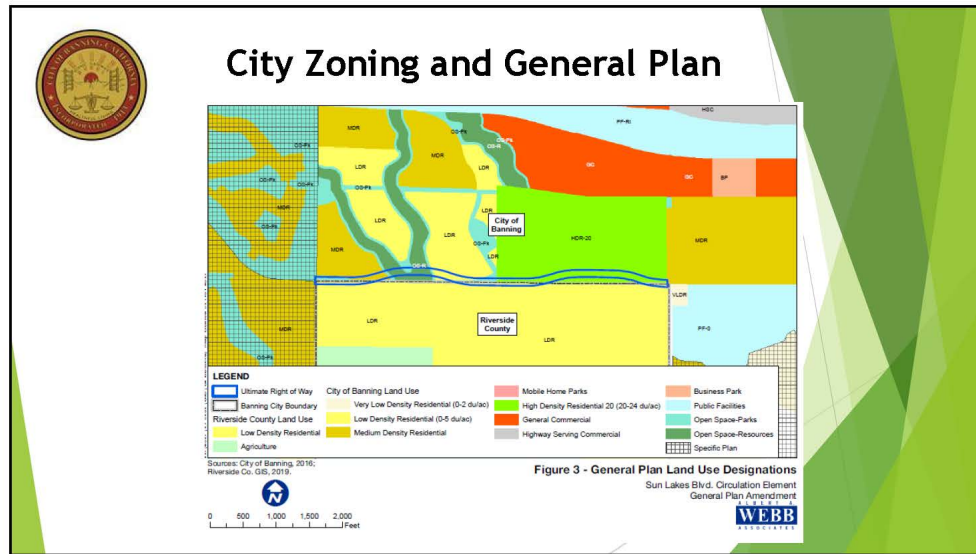


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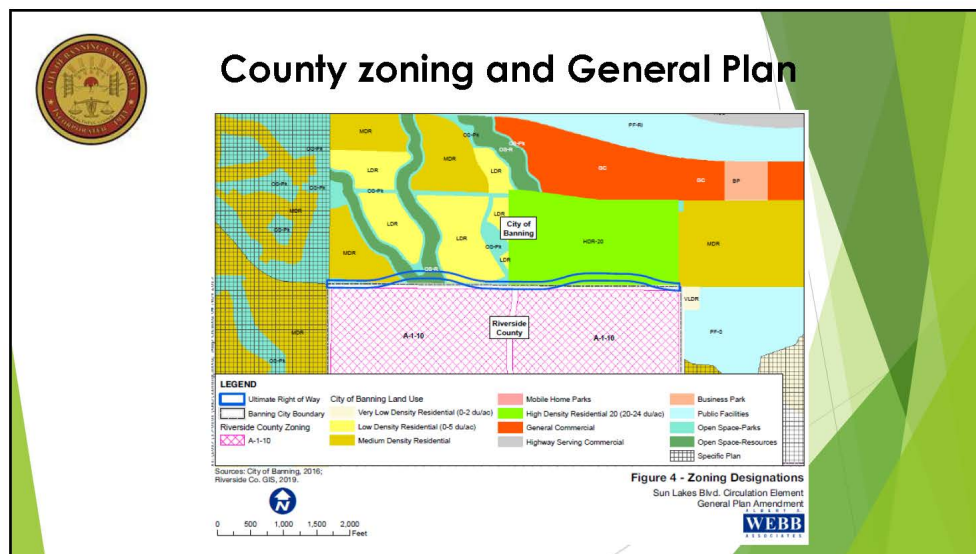


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Background:

- ▶ At the request of the Public Works Department, the Community Development Department is processing the proposed realignment of Sun Lakes Blvd. The current General Plan Circulation Element shows Sun Lakes Blvd. at Highland Home Road continuing eastward and curving upward to connect with Lincoln Street at Sunset Avenue.
- ▶ The proposed General Plan Circulation Element Amendment consists of the realignment of Sun Lakes Blvd. and will extend Sun Lakes Blvd. at Highland Home Road by continuing eastward to connect with West Westward Avenue at Sunset Avenue.
- ▶ The proposed realignment of Sun Lakes Blvd. is anticipated to assist in alleviating the current and future congestion of the intersections of Highland Springs Avenue and Interstate 10 (I-10) and Highland Springs Avenue and West Ramsey Street. Currently there is no east/west route through the City on the south side of the Interstate. It is the Public Works Departments' plan to create an east/west corridor, thereby providing travelers an alternate route across the City. This east/west corridor will also be beneficial in providing an emergency route in the event I-10 is closed.

7



Recommendation

Staff recommends the City Council:

Adopt Resolution 2020-37, approving General Plan Amendment 19-2502 and Environmental Assessment 19-1503 adopting a Negative Declaration finding the project will have a less than significant effect on the environment and making findings in support thereof.

8

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CITY OF BANNING
OFFICE OF THE
MAYOR



Proclamation

***WHEREAS**, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees, and*

***WHEREAS**, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, and*

***WHEREAS**, Arbor Day is now observed throughout the nation and the world, and*

***WHEREAS**, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce life-giving oxygen, and provide habitat for wildlife, and*

***WHEREAS**, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products, and*

***WHEREAS**, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community, and*

***WHEREAS**, trees, wherever they are planted, are a source of joy and spiritual renewal.*

***NOW THEREFORE**, the City of Banning City Council do hereby proclaim April 24, 2020 as*

Arbor Day

***FURTHER**, we urge all citizens to plant trees to gladden the heart and promote the well being of this and future generations.*

Dated this 14th day of April 2020.

ATTEST:

Sonja De La Fuente, Deputy City Clerk

Daniela Andrade, Mayor

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CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Ralph Wright

MEETING DATE: April 14, 2020

SUBJECT: Approval of Field Use & Scheduling and Exchange of Service Policies

RECOMMENDATION:

The City Council approve Parks and Recreation Policies PR1 – Field Use and Scheduling and PR2 – Exchange of Service

BACKGROUND:

Currently, we have two main user groups that use City of Banning Fields on a regular basis. They are the Banning Pass Little League and Banning United Youth Soccer. As the community grows and the potential for increase in the number of youth sporting groups increases, it is prudent to have policies in place that both protect the existing user groups and set protocols in place for field use and scheduling.

Additionally, as these user groups are providing a valuable service to our City, establishment of partnership arrangements with the exchange of service policy ensures that the City is able to balance the reduction of costs for the community sport's groups through the waiver of fees for use of our facilities and our ability to properly maintain and improve on said facilities.

For these established reasons, the following policies have been drafted.

Policy PR1 – Field Use and Scheduling Policy –

Policy PR 1 establishes protections for ongoing user groups with continuing participation by ensuring that incumbent sports groups, those that have consistently been using the City's facilities have priority over new groups that come in. The policy also establishes a priority hierarchy for field use based on both the season, times of the day and days of the week. The policy addresses joint use agreement with the local school district as well.

Policy PR 2 – Exchange of Service Policy –

Policy PR 2 establishes an exchange of service program that allows the city to waive fees for these ongoing user groups in exchange for their continued involvement in improving the City's facilities and programs through volunteerism, donations of equipment and supplies and facility improvement projects that positively impact the Parks and Recreation Department and the City.

Staff has discussed both policies with both Banning Pass Little League and Banning United Youth Soccer, the current incumbent youth sports groups. They understood the content and intent of the policies and brought forward no concerns with either. Both groups currently provide an exchange of service through improvement projects and volunteerism as well.

Approval of the Parks and Recreation Commission –

The Parks and Recreation Commission unanimously approved both policies at their regularly scheduled Parks and Recreation Commission meeting on February 19, 2020.

FISCAL IMPACT:

There is no fiscal Impact associated with this item. In the past, fees have not been charged for field or facility use for these assisted user groups.

OPTIONS:

1. Approve Parks and Recreation Department Policy's PR1 – Field Use and Scheduling Policy and PR2 – Exchange of Service Policy.
2. Do not approve and provide direction.

ATTACHMENTS:

1. PR1 – Field Use and Scheduling Policy
<https://banningca.gov/DocumentCenter/View/7171/PR1---Field-Use-and-Scheduling-Policy>
2. PR2 – Exchange of Service Policy
<https://banningca.gov/DocumentCenter/View/7172/PR2---Exchange-of-Service-Policy>

Approved by:

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Douglas Schulze
City Manager

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CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Tom Miller, Electric Utility Director

MEETING DATE: April 14, 2020

SUBJECT: Settlement of the California Parties' Refund Case – City of Banning Electric Utility

RECOMMENDED ACTION:

Staff recommends that City Council accept, by resolution, the mutually agreed upon Refund Case Settlement Implementation Agreement among the City of Banning and the California Parties in connection with proceedings of the Federal Energy Regulatory Commission (FERC). The results of the settlement implementation agreement provide for a refund to the City of Banning Electric Utility in the amount of \$406,596.59 and indemnifies the City from any future overlay adjustments.

BACKGROUND:

At the February 25th, City of Banning's City Council closed session meeting, staff provided City Council a status update on the settlement proceedings at FERC among the City of Banning Electric Utility and the California Parties. After discussion on the matter, City Council provided direction to staff regarding settlement negotiations and by consensus agreed to a tentative refund amount with certain stipulations. Attached to this staff report is a letter dated March 23, 2020 from City Manager Schulze and Margaret E. McNaul, Thompson-Coburn LLP, the city's representative at the FERC proceedings to the representatives of the California Parties accepting the proposed refund for the City of Banning Electric Utility.

JUSTIFICATION:

By accepting the settlement implementation agreement and refund now, the City accomplished two objectives. The first objective solidifies a refund base upon certain overlays used to allocated costs and refunds by and between all the California Parties. While there is an opportunity to further clarify the CERS overlays, accepting the refund

today insures a refund. The risk of a favorable CERS allocation does not outweigh the reward of any potential additional refund. The second objective of the agreement is to indemnify Banning Electric Utility from any future adjustments in the overlays and cost allocations. Essentially, this will complete the settlement proceedings with FERC from the City of Banning's perspective.

FISCAL IMPACT:

Miscellaneous electric operating revenue for previous years' load scheduling and power supply and transmission delivery settlements in the amount of \$406,596.59.

ATTACHMENTS:

1. Letter dated March 23, 2020 from the City of Banning to the California Parties regarding the Refund Case Settlement Implementation.

<https://banningca.gov/DocumentCenter/View/7175/Banning-Letter-Agreement---Refund-Case-Overlay-ds>

Approved by:

A handwritten signature in blue ink, appearing to read 'DS', is written over a horizontal line.

Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Kevin G. Ennis, City Attorney

MEETING DATE: April 14, 2020

SUBJECT: Resolution No. 2020-41 Declaring Pursuant to Government Code Section 54221 that real property owned by the City located at the northeast corner of Highland Springs Road and Sun Lakes Blvd. (APN: 491-140-041) is surplus land and not necessary for the City's use, finding that such declaration is exempt from environmental review under the California Environmental Quality Act, and taking related actions

RECOMMENDED ACTION:

Staff recommends that the City Council approve the attached resolution declaring pursuant to Government Code Section 54221 that real property owned by the City located at the Northeast corner of Highland Springs Road and Sun Lakes Blvd. (APN: 491-140-041) is surplus land and not necessary for the City's use, finding that such declaration is exempt from environmental review under the California Environmental Quality Act, and taking related actions.

BACKGROUND:

The City is the owner in fee simple of certain undeveloped real property ("Property") located at the Northeast corner of Highland Springs Road and Sun Lakes Blvd. (APN: 491-140-041).

Under the Surplus Land Act, Government Code Sections 54220-54233 ("Act"), surplus land is land owned in fee simple by the City for which the City Council takes formal action

in a regular public meeting declaring the land is surplus and not necessary for the City's use. The Act provides that land shall be declared either surplus land or exempt surplus land before the City may take action to dispose of it consistent with the City's policies or procedures.

Under the Act, land is necessary for the City's use if the land is being used, or is planned to be used pursuant to a written plan adopted by the City Council, for City work or operations. The Act specifies that the City's use does not include commercial or industrial uses, and land that is disposed of for the sole purpose of investment or generation of revenue is not necessary for the City's use.

The Property is not currently being used by the City except as a large landscape buffer between the street and the adjacent development. City staff has evaluated the Property for its potential to be used for City work or operations, including other municipal purposes. Because of its long and narrow configuration and without the potential for separate access other than through a driveway that would connect to the street near a busy intersection, Staff has determined that the Property is not suitable for the City's use. Staff recommends that the City Council declare that the Property is surplus land and not necessary for the City's use.

The Act requires that before the City Council disposes of the Property or engages in negotiations to dispose of the Property, the City must send a written notice of availability ("NOA") of the Property, which includes the location and a description of the Property, to certain designated entities. Negotiations do not include commissioning an appraisal, due diligence, discussions with brokers or agents who are not representing a potential buyer, studies to determine value or the best use of the land, the issuance of a request for qualifications, development of marketing materials, or discussions exclusively among local agency employees and officials.

The City must send the NOA by email or certified mail to the designated entities set forth below:

- a) Housing Sponsors that have notified HCD of their interest in receiving notices of availability (for the purpose of developing low and moderate income housing).
- b) Local public entities within whose jurisdiction the Property is located (for the purpose of developing low and moderate income housing). "Local public entities" include cities, counties, cities and counties, the governing bodies of Indian reservations or rancherias, tribally designated housing entities, housing authorities, and any State agency, public district or other political subdivision of the State, and any instrumentality thereof, authorized to engage in or assist in the development of or operation of housing for low or moderate income households. "Local public entities" also include joint power authorities and the Department of Housing and Community Development ("HCD").

c) The park or recreation department of any city or county within which the Property is located; any regional park authority having jurisdiction within the area in which the Property is located; and the State Resources Agency, or any agency that succeeds to its powers (for open space purposes).

d) Any school district in whose jurisdiction the Property is located (for land suitable for school facilities construction or use by a school district for open space purposes).

e) If the Property land is located in an infill opportunity zone or an area covered by a transit village plan adopted pursuant to the Transit Village Development Planning Act of 1994, any county, city, city and county, successor agency to a former redevelopment agency, public transportation agency, or housing authority within whose jurisdiction the Property is located.

If a designated entity is interested in purchasing or leasing the Property for an authorized purpose, it must notify the City in writing within 60 days after the City sends the NOA by email or certified mail.

If the City does not receive any notices of interest within the 60-day period or the notices of interest do not comply with the Act, the City may dispose of the Property without further regard to the requirements of the Act, although, as discussed below, HCD has been given oversight over the disposition of surplus land.

If the City receives a notice of interest from one or more designated entities within the 60-day period that comply with the Act, the City must enter into good faith negotiations with the designated entity or entities in an attempt to agree to a mutually satisfactory sales price and terms or lease terms. If the City does not agree on price and terms with any of the entities after a negotiation period of at least 90 days, the City may dispose of the surplus land without further regard to the Act, except as described below regarding oversight by HCD.

In negotiating with designated entities, the City shall not require terms as a condition of the sale or lease of the Property that disallow residential use, except if required to mitigate impacts to public health and safety or city operations; reduce the allowable number of residential units or the maximum lot coverage below what may be allowed by zoning or the General Plan; or require any design standards or architectural requirements that would have a substantial adverse effect on the viability or affordability of a low and moderate income housing development, other than the minimum standards required by General Plan, zoning and subdivision standards and criteria. Residential uses shall be deemed an acceptable use of surplus land for the purposes of good faith negotiations. Notwithstanding the foregoing, the City may impose a limit on residential use or density if necessary to avoid a specific, adverse impact (supported by written findings) upon the public health or safety or the operation or facilities of a local agency and there is no feasible method to mitigate the impact.

The Act does not restrict the City's authority or discretion to approve land use, zoning or entitlement decisions in connection with the Property or limit the power of the City to sell or the Property for fair market value or less than fair market value.

A designated entity proposing to use the Property to develop low and moderate income housing must agree to make available not less than 25% of the total number of units available at an affordable housing cost or affordable rent to low income households pursuant to a covenant recorded against the land. Rental units must be restricted for at least 55 years and owner-occupied housing must be subject to an equity sharing agreement.

If the City receives a notice of interest from more than one designated entity, the City must give first priority to the entity or entities that agree to use the Property for low and moderate income housing that meets the requirements described above. If more than one entity agrees to meet these requirements, the City must give priority to the entity that proposes to provide the greatest number of units that meet such requirements. If more than one entity proposes the same number of units that meet such requirements, the City must give priority to the entity that proposes the deepest average level of affordability for the affordable units. The City may negotiate concurrently with all designated entities interested in developing affordable housing.

Prior to agreeing to terms for the disposition of the Property the City must provide to HCD a description of the NOA and the negotiations conducted with any designated entities. If HCD believes that the City has violated the Act, the City will be given the opportunity to correct the issues identified by HCD or provide written findings to HCD explaining why the proposed disposition complies with the Act. If HCD ultimately determines that the proposed disposition of the Property would violate the Act, HCD can impose a penalty equal to 30% of the final sales price of the Property and notify the Attorney General of the violation. While HCD is not required to implement these provisions until January 1, 2021, the Act does not does not postpone the obligation of cities to provide the required notification to HCD.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

This Resolution has been reviewed with respect to the applicability of the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*) ("CEQA"). City staff has determined that the designation of this property as surplus does not have the potential for creating a significant effect on the environment and is therefore exempt from further review pursuant to State CEQA Guidelines Section 15060(c)(3), because it is not a project as defined by the CEQA Guidelines Section 15378. Adoption of the Resolution does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. If and when the property is sold to a purchaser and that purchaser proposes a use for the property that requires a discretionary permit and CEQA review,

that future use and project will be analyzed at the appropriate time in accordance with CEQA.

FISCAL IMPACT

The sale of this property will generate additional revenue for the City that the City can use to acquire other properties, including distressed properties, so as to provide for greater economic opportunities for new development in the City. In addition, the sale of this property will allow the adjacent property to expand its parking lot and allow a new use to become a tenant in the shopping center which will bring more economic activity to the shopping center.

Attachments:

1. Resolution 2020-41
<https://banningca.gov/DocumentCenter/View/7194/1-Resolution-2020-41-Highlands-Springs-and-Sun-Lakes-Blvd-Surplus-Land-Declaration>

Approved by:



Douglas Schulze
City Manager

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CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Kevin G. Ennis, City Attorney

MEETING DATE: April 14, 2020

SUBJECT: Resolution No. 2020-42 Declaring Pursuant to Government Code Section 54221 that real property owned by the City located at 150 E. Ramsey Street is surplus land and not necessary for the City's use, finding that such declaration is exempt from environmental review under the California Environmental Quality Act, and taking related actions

RECOMMENDED ACTION:

Staff recommends that the City Council approve the attached resolution, Resolution No. 2020-42, declaring pursuant to Government Code Section 54221 that real property owned by the City located at 150 E. Ramsey is surplus land and not necessary for the City's use, finding that such declaration is exempt from environmental review under the California Environmental Quality Act, and taking related actions.

BACKGROUND:

The City is the owner in fee simple of certain real property ("Property") located at 150 E. Ramsey Street. The property is approximately 5.55 acres in size, is currently vacant, and is located on the south side of Ramsey Street, across the street from City Hall and the Police Department.

Under the Surplus Land Act, Government Code Sections 54220-54233 ("Act"), surplus land is land owned in fee simple by the City for which the City Council takes formal action in a regular public meeting declaring the land is surplus and not necessary for the City's use. The Act provides that land shall be declared either surplus land or exempt surplus

land before the City may take action to dispose of it consistent with the City's policies or procedures.

Under the Act, land is necessary for the City's use if the land is being used, or is planned to be used pursuant to a written plan adopted by the City Council, for City work or operations. The Act specifies that the City's use does not include commercial or industrial uses, and land that is disposed of for the sole purpose of investment or generation of revenue is not necessary for the City's use.

The Property is not currently being used by the City and is currently vacant and City staff has evaluated the Property for its potential to be used for City work or operations, including future municipal operations. Staff has determined that the Property is not suitable for the City's use because it is a large parcel of property, previously developed for commercial use and, given its size, the City has no identified need for a municipal use of the property.

Staff recommends that the City Council declare that the Property is surplus land and not necessary for the City's use.

The Act requires that before the City Council disposes of the Property or engages in negotiations to dispose of the Property, the City must send a written notice of availability ("NOA") of the Property, which includes the location and a description of the Property, to certain designated entities. Negotiations do not include commissioning an appraisal, due diligence, discussions with brokers or agents who are not representing a potential buyer, studies to determine value or the best use of the land, the issuance of a request for qualifications, development of marketing materials, or discussions exclusively among local agency employees and officials.

The City must send the NOA by email or certified mail to the designated entities set forth below:

- a) Housing Sponsors that have notified HCD of their interest in receiving notices of availability (for the purpose of developing low and moderate income housing).
- b) Local public entities within whose jurisdiction the Property is located (for the purpose of developing low and moderate income housing). "Local public entities" include cities, counties, cities and counties, the governing bodies of Indian reservations or rancherias, tribally designated housing entities, housing authorities, and any State agency, public district or other political subdivision of the State, and any instrumentality thereof, authorized to engage in or assist in the development of or operation of housing for low or moderate income households. "Local public entities" also include joint power authorities and the Department of Housing and Community Development ("HCD").
- c) The park or recreation department of any city or county within which the Property is located; any regional park authority having jurisdiction within the area in

which the Property is located; and the State Resources Agency, or any agency that succeeds to its powers (for open space purposes).

d) Any school district in whose jurisdiction the Property is located (for land suitable for school facilities construction or use by a school district for open space purposes).

e) If the Property land is located in an infill opportunity zone or an area covered by a transit village plan adopted pursuant to the Transit Village Development Planning Act of 1994, any county, city, city and county, successor agency to a former redevelopment agency, public transportation agency, or housing authority within whose jurisdiction the Property is located.

If a designated entity is interested in purchasing or leasing the Property for an authorized purpose, it must notify the City in writing within 60 days after the City sends the NOA by email or certified mail.

If the City does not receive any notices of interest within the 60-day period or the notices of interest do not comply with the Act, the City may dispose of the Property without further regard to the requirements of the Act, although, as discussed below, HCD has been given oversight over the disposition of surplus land.

If the City receives a notice of interest from one or more designated entities within the 60-day period that comply with the Act, the City must enter into good faith negotiations with the designated entity or entities in an attempt to agree to a mutually satisfactory sales price and terms or lease terms. If the City does not agree on price and terms with any of the entities after a negotiation period of at least 90 days, the City may dispose of the surplus land without further regard to the Act, except as described below regarding oversight by HCD.

In negotiating with designated entities, the City shall not require terms as a condition of the sale or lease of the Property that disallow residential use, except if required to mitigate impacts to public health and safety or city operations; reduce the allowable number of residential units or the maximum lot coverage below what may be allowed by zoning or the General Plan; or require any design standards or architectural requirements that would have a substantial adverse effect on the viability or affordability of a low and moderate income housing development, other than the minimum standards required by General Plan, zoning and subdivision standards and criteria. Residential uses shall be deemed an acceptable use of surplus land for the purposes of good faith negotiations. Notwithstanding the foregoing, the City may impose a limit on residential use or density if necessary to avoid a specific, adverse impact (supported by written findings) upon the public health or safety or the operation or facilities of a local agency and there is no feasible method to mitigate the impact.

The Act does not restrict the City's authority or discretion to approve land use, zoning or entitlement decisions in connection with the Property or limit the power of the City to sell or the Property for fair market value or less than fair market value.

A designated entity proposing to use the Property to develop low and moderate income housing must agree to make available not less than 25% of the total number of units available at an affordable housing cost or affordable rent to low income households pursuant to a covenant recorded against the land. Rental units must be restricted for at least 55 years and owner-occupied housing must be subject to an equity sharing agreement.

If the City receives a notice of interest from more than one designated entity, the City must give first priority to the entity or entities that agree to use the Property for low and moderate income housing that meets the requirements described above. If more than one entity agrees to meet these requirements, the City must give priority to the entity that proposes to provide the greatest number of units that meet such requirements. If more than one entity proposes the same number of units that meet such requirements, the City must give priority to the entity that proposes the deepest average level of affordability for the affordable units. The City may negotiate concurrently with all designated entities interested in developing affordable housing.

Prior to agreeing to terms for the disposition of the Property the City must provide to HCD a description of the NOA and the negotiations conducted with any designated entities. If HCD believes that the City has violated the Act, the City will be given the opportunity to correct the issues identified by HCD or provide written findings to HCD explaining why the proposed disposition complies with the Act. If HCD ultimately determines that the proposed disposition of the Property would violate the Act, HCD can impose a penalty equal to 30% of the final sales price of the Property and notify the Attorney General of the violation. While HCD is not required to implement these provisions until January 1, 2021, the Act does not does not postpone the obligation of cities to provide the required notification to HCD.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

This Resolution has been reviewed with respect to the applicability of the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*) ("CEQA"). City staff has determined that the designation of this property as surplus does not have the potential for creating a significant effect on the environment and is therefore exempt from further review pursuant to State CEQA Guidelines Section 15060(c)(3), because it is not a project as defined by the CEQA Guidelines Section 15378. Adoption of the Resolution does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. If and when the property is sold to a purchaser and that purchaser proposes a use for the property that requires a discretionary permit and CEQA review, that future use and project will be analyzed at the appropriate time in accordance with CEQA.

FISCAL IMPACT

The sale of this property will generate additional revenue for the City that the City can use to acquire other properties, including distressed properties, so as to provide for greater economic opportunities for new development in the City.

Attachments:

1. Resolution 2020-42
<https://banningca.gov/DocumentCenter/View/7198/Resolution-2020-42-150-E-Ramsey-Street-Surplus-Land-Declaration>

Approved by:

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Douglas Schulze
City Manager

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CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Matthew Hamner, Chief of Police
Jeff Horn, Captain

MEETING DATE: April 14, 2020

SUBJECT: Resolution 2020-53: Authorizing the Police Department to Renew the Contract with Airwave Communications. Airwave Communications handles the Radio system (two-way radios and dispatch radio system).

RECOMMENDATION:

The City Council adopt Resolution No. 2020-53, a Resolution of the City of Banning, California, authorizing the police department to enter into a continuing contract for the remaining three year term ending June 30, 2022, not to exceed five (5) years, with Airwave Communications for the sum of \$25,000 per year. This amount has an additional amount built in for unforeseen equipment that may need to be purchased for the radios. Built into the contract is a spending ceiling for Airwave Communications of \$115,150.60.

JUSTIFICATION:

The radio system is paramount to the security of our officers and dispatchers and the primary method of communication for public safety. The radio system allows our officers to communicate with officers throughout Riverside County.

BACKGROUND:

The Banning Police Department has utilized Airwave Communications as the vendor for the Motorola Radio Systems to include hand-held radios. Airwave has been a reliable and needed partner for keeping our system operating at peak efficiency.

FISCAL IMPACT:

The cost of this is reflected in the pending budget cycle and has been a repeating expense for the department.

OPTIONS:

1. Adopt Resolution 2020-53
2. Reject Resolution 2020-53 and provide direction to staff.

STRATEGIC PLAN OBJECTIVE:

This request supports the City's strategic goal related to "Public Health and Safety".

ATTACHMENTS:

1. Resolution 2020-53
<https://banningca.gov/DocumentCenter/View/7206/1-Resolution-2020-53>
2. Airwave Communication Amendment 2
<https://banningca.gov/DocumentCenter/View/7207/2-C00138-AIRWAVE-COMMUNICATIONS-AMENDMENT-2>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Director of Public Works

MEETING DATE: April 14, 2020

SUBJECT: Approving an Appropriation of Funds and an Increase in the Annual Aggregate “Not to Exceed” Amount for the Purchase of Tires and Related Services for the Remainder of Fiscal Year 2019/2020

RECOMMENDED ACTION:

Approve an appropriation in the amount of \$20,000 to Fleet Fund 702 and an increase the annual aggregate “not to exceed” amount for the purchase of tires and related services for the remainder of Fiscal Year 2019/2020 for a total aggregate of \$80,000.

BACKGROUND:

The Public Works Department, Fleet Division, procures tires and related services throughout the year for over 200 vehicles and equipment. In 2017, staff directly solicited bids from seven (7) prospective vendors with three (3) responses being received by Daniel’s Tire Service, Parkhouse Tire, Inc. and Fred Allen Enterprises, Inc.

On July 11, 2017 under Resolution 2017-21, based on bid responses, City Council approved an annual aggregate purchase of tires and related services in the amount of \$60,000 for Fiscal Years 2019, 2020, and 2021. Based on bid results, the above listed vendors were established as approved vendors.

At the time, it was determined that Daniel’s Tire Service would provide heavy duty truck tires, police pursuit vehicle tires, recapping services and scrap tire disposal. Parkhouse Tire, Inc. would provide tires for passenger vehicles. Light truck and trailer tires would be obtained from Fred Allen Enterprises, Inc. Exceptions were granted allowing staff to modify vendor specific purchases based on availability and lead time.

In following the approval designations, to date, expenditures for Fiscal Year 2019/2020 approximately amount to an aggregate of \$57,500. In order to continue operations for the remainder of the Fiscal Year 2019/2020, staff requests an increase in the annual aggregate for the purchase of tires and related services by \$20,000 for a total Fiscal Year 2019/2020 annual aggregate of \$80,000.

JUSTIFICATION:

The purchase of tires and related services are necessary in order to maintain the City-owned and operated Fleet.

Daniel's Tire Service, Parkhouse Tire, Inc. and Fred Allen Enterprises, Inc. are approved vendors that were established through Fiscal Year 2020/2021 as part of the bid process approved on July 11, 2017 by City Council.

FISCAL IMPACT:

The Fleet Division operational budget will fund the acquisition of tires and related services via Account No. 702-3800-480.38-52 (Auto Parts) and Account No. 702-3800-480.30-05 (Repair/Maint-Vehicles). An appropriation to Fund 702 in the amount of \$20,000 is required to cover the increase.

ALTERNATIVE:

City Council reject this request, possibly resulting in an interruption in operations due to delays in performing required repairs and maintenance.

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Director of Public Works

MEETING DATE: April 14, 2020

SUBJECT: Approve Amendment No. 3 to the Professional Services Agreement with Stantec Consulting Services, Inc. for an Additional \$25,200 for the Design of the Reconstruction and Widening of Ramsey Street and Hathaway Street and Extend the Contract Term for an Additional 12 Months

RECOMMENDATION:

1. Approving Amendment No.3 to the Professional Services Agreement with Stantec Consulting Services, Inc. for additional \$25,200 for the design of the Reconstruction and Widening of Ramsey Street and Hathaway Street and extend the contract term for an additional 12 months.
2. Authorizing the City Manager or his designee to make necessary budget adjustments, appropriations and transfers related to the Professional Services Agreement Amendment No. 3 with Stantec Consulting Services, Inc.
3. Authorizing the City Manager to execute Amendment No.3 to the Professional Services Agreement with Stantec Consulting Services, Inc.

BACKGROUND:

On March 10, 2020 City Council approved staff's recommendation for an amendment to an existing agreement with Stantec Consulting Services for the design of the reconstruction and widening of Ramsey Street and Hathaway Street and the preparation of right-of-way exhibits required for the acquisition of rights-of-way to accommodate the project. The staff report, attached hereto, incorrectly referenced the Amendment No.1, when it should have referenced Amendment No. 3.

The previous amendments to the professional services agreement have been related to term extension and are as follows:

- On December 12, 2017, Amendment No.1 to the 2016 Agreement was approved to extend the Agreement for an additional 12 months.
- On December 12, 2018, Amendment No.2 to the 2016 Agreement was approved to extend the Agreement term for an additional 12 months.

JUSTIFICATION:

The purpose of staff's recommendation is to rectify the error in the previous staff report and to request for a term extension of an additional 12 months which is required to work through the final steps of the right-of-way acquisition phase and final design.

FISCAL IMPACT:

Amendment No. 3 will increase the contract amount by \$25,200, which is the same impact as the previous City Council approval given on March 10, 2020. The increase will be funded by the Tax Allocation Bond proceeds, Account No. 856-9500-490.93-15.

ALTERNATIVE:

City Council may reject this approval, which will result in the project not proceeding to construction.

ATTACHMENTS:

1. March 10, 2020 Staff Report
<https://banningca.gov/DocumentCenter/View/7235/Attachment-1-31020-SR-Stantec-Amendment>
2. Amendment No. 3
<https://banningca.gov/DocumentCenter/View/7246/Attach-2-Draft-Stantec-Amendment-3>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Ralph Wright

MEETING DATE: April 14, 2020

SUBJECT: Resolution 2020-43, Approving an Agreement with Pyro Spectaculars, Inc., for production of the Fourth of July Aerial Fireworks Display

RECOMMENDATION:

That the City Council approves the following for the 2020 Fourth of July aerial fireworks display:

1. Production Agreement with Pyro Spectaculars, Inc. of Rialto, CA in the amount of \$27,000 for the aerial fireworks show.
2. Authorize the City Manager to execute the agreement.

JUSTIFICATION:

Last year, this project was formally/publicly bid out as "IFB No. 19-033," and no responses were received. Following the Procurement Policy, Pyro Spectacular submitted an informal bid and was awarded the project in 2019 for the amount of \$27,000. Pyro Spectaculars submitted pricing for the 2020 celebration for the identical amount of last year's award. Under the authority of the "Procurement Policy B-30 section 3, subsection 3-105 (6) – the Purchasing Officer may join into an existing written purchase contract obtained within the last 24 months through a competitive bidding process". Pyro Spectaculars has performed the show for the last three years and proven themselves to deliver an exciting and safe show for the community.

BACKGROUND:

The City of Banning annually hold a Fourth of July event, consisting of games and activities for kids, food vendors, music and culminates with an aerial fireworks show. Pyro Spectaculars has produced fireworks displays throughout the nation, produced

the fireworks display in banning for the last three years and provided shows were done very well and received favorable reviews from the community.

OPTIONS:

1. Adopt Resolution, Approving the Agreement with Pyro Spectaculars, Inc. for production of the fireworks display at the July 4th Celebration.
2. Reject Resolution 2019-43, resulting in no fireworks display for the July 4th Celebration.

FISCAL IMPACT:

None, sufficient funding is available and was budgeted in the July 4th Celebration account 001-5400-446.41-58

ATTACHMENTS:

1. Resolution 2020-43
<https://banningca.gov/DocumentCenter/View/7173/RESOLUTION-2020-43-PYRO-SPECTACULARS-INC-AGREEMENT>
2. Production agreement with Pyro Spectaculars, Inc.
https://banningca.gov/DocumentCenter/View/7174/Banning-Pyro-Spectacular-agreement_7-4-20_4148

Approved by:



Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Director of Public Works/City Engineer
Patrick Safari, Associate Engineer

MEETING DATE: April 14, 2020

SUBJECT: Resolution No. 2020-48, Awarding a Professional Services Agreement for the Design of the Sun Lakes Boulevard Extension from Highland Home Road to Sunset Avenue, to Albert A. Webb Associates in the Amount of \$548,416.05 and Approving a 10% Contingency for a Total Project Budget of "Not-to-Exceed" \$603,258.05

RECOMMENDED ACTION:

Staff recommends that the City Council:

1. Award a Professional Services Agreement for the Design of the Sun Lakes Boulevard Extension from Highland Home Road to Sunset Avenue, to Albert A. Webb Associates in the amount of \$548,416.05.
2. Authorizing the City Manager or his designee to make necessary budget adjustments, appropriations, transfers and approving change orders within the approved contingency related to the Professional Services Agreement for the Design of the Sun Lakes Boulevard Extension from Highland Home Road to Sunset Avenue.
3. Authorizing the City Manager or his designee to execute the Professional Services Agreement with Albert A. Webb Associates of Riverside, California in the amount of \$548,416.05.

BACKGROUND:

The proposed Sun Lakes Boulevard extension will connect Highland Home Road and Sunset Avenue in alignment with Sun Lakes Boulevard to the west and Westward Avenue to the east. The roadway extension is a much-needed improvement in the community that will seek to link City residents south of the Interstate 10 to the western end part of the City.

On August 28, 1990 The City Council approved Parcel Map 25541 and the parcel owner offered to dedicate to the City of Banning Lots A through E for street and public utility purposes.

On February 11, 2020, under Resolution 2020-21 the City Council accepted Lots A, D, E, F and G for the necessary right-of-way for the extension of Sun Lakes Boulevard from Highland Home Road to Sunset Avenue.

On March 24, 2020, under Resolution 2020-37, the City Council approved General Plan Amendment 19-2502 and Environmental Assessment 19-1503, a proposed amendment to the Circulation Element of the General Plan to modify the alignment of Sun Lakes Boulevard from its existing General Plan alignment with Lincoln Street to the proposed alignment with Westward Avenue.

On February 18, 2020, staff released an Invitation for Bid for the Design of the Sun Lakes Boulevard Extension to five (5) consultants on the on-call engineering list approved by City Council on September 10, 2019 under Resolution 2019-116. The proposals were due on March 10, 2020. In response to the Invitation for Bid, three (3) proposals were received from CASC Engineering & Consulting, Albert A. Webb Associates and Engineering Resources of Southern California (ERSC).

The proposal amounts ranged from \$508,678 to \$849,674.

JUSTIFICATION:

Sun Lakes Boulevard is identified by the City of Banning General Plan Circulation Element as an Arterial Highway. The proposed realignment of Sun Lakes Boulevard will ease traffic congestion at the intersections of Highland Springs Avenue and Interstate 10 ramps and Highland Springs Avenue and Ramsey Street. The City lacks a quick alternative route for residents south of the interchange 10 to travel to the west in case of an emergency closure of the freeway.

Three proposals were submitted by engineering firms currently identified in the City's approved vendor list. Staff evaluated the proposals based on qualifications, cost, experience with the request scope of services and response to the request for

proposals. As a result, staff recommends the award of a professional services agreement to Albert A. Webb Associates, in the amount of \$548,416.05.

Albert A. Webb Associates is a reputable qualified firm that has successfully provided services to the City in the past.

FISCAL IMPACT:

Staff recommends awarding an agreement to Albert A. Webb Associates in the amount of \$548,416.05 and approving a 10% contingency in the amount of \$54,842 for a total “not-to-exceed” project budget of \$603,258.05.

The project will be funded from Measure A Funds, Account 101-4900-431.93-16.

The project is a Transportation Uniform Mitigation Fee (TUMF) program eligible project. Staff is working with Western Riverside Council of Governments (WRCOG) on a TUMF reimbursement agreement to acquire TUMF funds as a reimbursement for this project.

ALTERNATIVE:

Do not approve and provide alternative direction.

ATTACHMENTS:

1. Resolution 2020-48
<https://banningca.gov/DocumentCenter/View/7216/Attachment-1---Resolution-2020-48>
2. Approved Resolution 2019-116
<https://banningca.gov/DocumentCenter/View/7217/Attachment-2-Approved-Resolution-2019-116>
3. Approved Resolution 2020-21
<https://banningca.gov/DocumentCenter/View/7218/Attachment-3-Approved-Resolution-2020-21>
4. Approved Resolution 2020-37
<https://banningca.gov/DocumentCenter/View/7219/Attachment-4-Approved-Resolution-2020-37>
5. Proposed Roadway Right-of-Way Exhibit
<https://banningca.gov/DocumentCenter/View/7220/Attachment-5--Proposed-Right-of-Way-Exhibit>
6. Parcel Map 25541
<https://banningca.gov/DocumentCenter/View/7221/Attachment-6--PM-25541>
7. Albert A. Webb Proposal dated March 10, 2020
https://banningca.gov/DocumentCenter/View/7222/Attachment-7-Albert-A-Webb-Associates_Proposal

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Public Works Director
Kevin Sin, Senior Civil Engineer

MEETING DATE: April 14, 2020

SUBJECT: Resolution 2020-47, Approving the Measure “A” Five Year Capital Improvement Plan Project List and Authorizing the City Manager to Execute the Maintenance of Effort Certification Statement

RECOMMENDATION:

That City Council adopt Resolution 2020-47, approving the Measure “A” Five Year Capital Improvement Plan Project List and authorizing the City Manager to execute the Maintenance of Effort Certification Statement (“MOE Certification”).

BACKGROUND:

Voters in Riverside County approved Measure “A” in 1988, which authorized the Riverside County Transportation Commission (RCTC) to impose an additional one-half percent (0.5%) sales tax for the next 20 years to be used for improvements of state highways, public transit systems, and local streets. In 2002, voters in Riverside County approved a 30-year extension of the one-half percent sales tax for transportation improvements.

Each City in Riverside County is required by the RCTC to submit a Five Year CIP, as approved by its governing board, to indicate how Measure “A” funding is to be utilized over the next five years. The list of street locations recommended for inclusion in the Five Year Measure “A” CIP is attached hereto.

In 2012, the City completed a data collection and mapping project of the City’s street network and in the process collected pavement surface distress data such as cracking, roughness, rutting, raveling/weathering, bleeding/flushing and deflection. The

information, which is continuously updated, is utilized to prioritize pavement rehabilitation projects.

As part of the yearly Measure “A” CIP list submittal, the City is required to submit a Project Status Report for projects previously approved by City Council in previous fiscal years that have not been completed. Attached hereto is the Project Status Report for FY 2019/20.

The Measure “A” Ordinance also requires annual certification that discretionary General Fund expenditures for transportation-related construction and maintenance activities for Fiscal Year 2020/2021 will meet or exceed the Maintenance of Effort (MOE) Certification base year amount and commitment to expending Measure “A” funds to projects identified in the City’s Five Year CIP. The MOE base year amount has been set to \$164,325. The MOE, attached hereto, must be signed by the City Manager and submitted to RCTC along with the Five-Year CIP.

JUSTIFICATION:

The City of Banning (“City”) is required to submit a Five Year Capital Improvement Plan (CIP) along with an executed MOE Certification annually to the Riverside County Transportation Commission (RCTC) in order to receive Measure “A” funds for street rehabilitation projects.

FISCAL IMPACT:

RCTC has estimated that the City of Banning will receive Measure “A” Funds totaling \$2,630,000 as follows for the next five years:

<u>Year</u>	<u>Estimated Amount</u>
2020/2021	\$516,000
2021/2022	\$521,000
2022/2023	\$526,000
2023/2024	\$531,000
2024/2025	\$536,000

ALTERNATIVE:

The City Council may choose not to adopt Resolution No. 2020-47, which would result in the City losing its Measure “A” entitlements.

ATTACHMENTS:

1. Resolution No. 2020-47
<https://banningca.gov/DocumentCenter/View/7208/Attach-1---Resolution-2020-47>
2. 5-Year Measure "A" CIP
<https://banningca.gov/DocumentCenter/View/7209/Attach-2-Five-Year-Measure-A-CIP>
3. Project Status Report
<https://banningca.gov/DocumentCenter/View/7210/Attach-3-Project-Status-Report>
4. Maintenance of Effort Certification Statement
<https://banningca.gov/DocumentCenter/View/7211/Attach-4---2020-21-MOE-Cert>

Approved by:

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Douglas Schulze,
City Manager

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CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Director of Public Works

MEETING DATE: April 14, 2020

SUBJECT: Resolution No. 2020-45, Declaring the Intention to Levy and Collect Assessments for Fiscal Year 2020/2021, Approving the Engineer's Report and Setting the Date for the Public Hearing for Landscape Maintenance District No. 1

RECOMMENDED ACTION:

Staff recommends that the City Council adopt Resolution 2020-45:

1. That the City Council adopt Resolution No. 2020-45, Declaring the Intention to Levy and Collect Assessments, Approving the Engineer's Report and Setting the Date for the Public Hearing for Landscape Maintenance District No. 1.
2. Authorizing the City Clerk to certify the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions

BACKGROUND:

In accordance with the "Landscaping and Lighting Act of 1972" ("1972 Act") of the Streets and Highways Code, the City Council adopted a resolution on August 14, 1990 ordering the formation of Landscape Maintenance District No. 1, ("the District"). An additional five tracts and three tentative tracts were annexed (Annexation No. 1) into LMD No. 1 when the City Council approved Resolution No. 2005-36 on May 10, 2005. A map displaying the District is attached. On February 25, 2020 the City Council approved Resolution No. 2020-26, initiating proceedings for the fiscal year update of LMD No.1.

The District, by special benefit assessments, provides funding for the operation and maintenance of certain landscape areas within the City of Banning, all of which were constructed as part as private development projects and all of which are located in the

public right-of-way. The 1972 Act requires that assessments are to be levied according to benefit rather than according to assessed value.

Adoption of this Resolution 2020-45 will accomplish three goals for the fiscal year update and renewal of LMD No. 1. First, it provides the resolution of intention to levy and collect assessments; second, it permits the City Council to review and approve the Engineer's Report; and third, it sets the date and time for a public hearing. Subsequent to the approval of this Resolution, the City Council will be requested to confirm the assessments for Fiscal Year 2020/21.

The Engineer's Report, reflecting the detail of proposed assessments, was forwarded to the City Council under a separate cover and is on file with the City Clerk. Upon approval of this resolution, the public hearing will be held at the regularly scheduled City Council meeting on July 14, 2020, at 5:00 p.m., as shown in the attached schedule, Attachment 3. A detailed list of tracts in LMD No. 1 and their respective assessments is shown as Attachment 4.

For Fiscal Year 2020/2021, the Engineer's Report does reflect a Consumer Price Index (CPI) percentage increase of 3.03% on the assessments over the last fiscal year applied only to those tracts annexed into LMD No.1 (currently six built tracts) in 2005, at which time, those property owners authorized the CPI adjustment.

A professional services contract was awarded to Webb Municipal Finance at the April 9, 2019 City Council meeting. They analyzed the existing LMD No. 1 structure, prepared a financial analysis, determined the proper zones and assessment amounts for each tract in order to assure the LMD No.1 is operated with a balanced budget. On January 14, 2020 the City Council approved the Financial Analysis, Redevelopment, and Proposition 218 Report (Report) prepared by Webb Municipal Finance, LLC. The consultant prepared a detailed analysis and budget for all the existing tracts within the LMD and recommended that the LMD be rezoned in a manner that allows for each tract to pay only for benefits that it is receiving. Thus, ten (10) new Zones were developed to better reflect each tract's unique expenses and revenues and benefits bestowed to its' property owners residing within the Zone, as shown in Attachment 2, the LMD No.1 map.

The Annual Engineer's Report requested to be approved as part of Resolution 2020-45 lists the Assessment Unit (AU) rates and costs to be levied to the property owners within LMD No. 1 for FY 2020/2021. Webb Municipal Finance, LLC will prepare a "Proposition 218" Engineer's Report that will present the new escalated Assessment Unit rates for each Zone reflected on the Proposition 218 Vote Card for each Zone. In the event the Proposition 218 vote fails for a Zone, its AU rate would remain equal to the rate in the Annual Engineer's Report recommended to be approved as part of this resolution. Each Zone's voting results would therefore determine its AU rate.

JUSTIFICATION:

The City Council approved the formation of Landscape Maintenance District (LMD) No. 1 by adopting Resolution No. 1990-59 on August 14, 1990. The adoption of this Resolution will enable the assessments to be collected from the property owners located within LMD No. 1 to provide for the funding required to maintain landscape areas located within the public right-of-way directly benefiting said property owners.

FISCAL IMPACT:

Based on the proposed assessments in the Engineer's Report, the estimated revenues for Fiscal Year 2020/21 for LMD No. 1 will be approximately \$139,912, with the 3.03% CPI increase applied to the existing tracts annexed into the LMD in 2005: Tracts 28252, 30793, 31833, 31834, 31835 and 30906. If approved, the annual assessment for a single-family dwelling in these Zones would increase from the current rate of \$210.38, to \$216.69.

The estimated expenses are \$152,000, a shortfall of approximately \$12,000 which will be covered by the LMD fund balance, currently at \$298,151. The assessment revenues will fund the landscape maintenance contract, electric and water utility costs, administrative costs (all totaling about \$139,611) and miscellaneous costs (printing, advertisement, etc.).

ALTERNATIVES:

Reject Resolution No. 2020-45, which would result in staff not continuing with the process of assessing the homeowners and properties within LMD No. 1 a fee to pay for operation and maintenance costs. Expenses funded by the fee currently include the landscape maintenance contractor, utility costs (water and electric), administrative costs, and miscellaneous costs. Without an assessment, other funding sources would have to be utilized to pay for the expenses related to the operation and maintenance of LMD No.1.

ATTACHMENTS:

1. Resolution No. 2020-45
<https://banningca.gov/DocumentCenter/View/7212/Attach-1-Resolution-2020-45>
2. LMD No. 1 Map for FY 2020/21
<https://banningca.gov/DocumentCenter/View/7213/Attach-2-LMD-No1-Map>
3. Tentative Schedule for Updating LMD No. 1
<https://banningca.gov/DocumentCenter/View/7214/Attach-3-Tentative-Schedule-for-Updating-Landscape-Maintenance-District-No-1-FY-20-21>

Staff Report: Resolution 2020-45 Declaring the Intent to Levy and Collect
Assessments for LMD 1 Fiscal Year 2020/2021

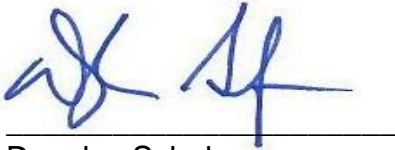
April 14, 2020

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4. LMD No. 1 Assessments

<https://banningca.gov/DocumentCenter/View/7215/Attach-4-Landscape-Maintenance-District-No-1-Tracts-and-Assessments-for-Fiscal-Year-2020-2021>

Approved by:

A handwritten signature in blue ink, appearing to read 'DS', is written over a horizontal line.

Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Adam B. Rush, Community Development Director
Sonia Pierce, Senior Planner

MEETING DATE: April 14, 2020

SUBJECT: Approving a Determination of Public Convenience and Necessity for the Sales of Beer and Wine (Type 20) in a Proposed Convenience Store that Sells Gasoline (7-Eleven) Located at 3251 West Ramsey Street; (APN 537-090-064) in the General Commercial (GC) Zoning District

RECOMMENDED ACTION:

Staff recommends the City Council takes the following action:

Make a determination of Public Convenience and Necessity, based on the findings provided below, in order for the California Department of Alcoholic Beverage Control (ABC) to issue a Type-20 License to Tait and Associates for the off-site sales of beer and wine at a proposed convenience with gasoline sales at 3251 West Ramsey in the General Commercial (GC) Zoning District.

PROJECT/APPLICANT INFORMATION:

Project Applicant:	Tait & Associates 7-Eleven, Inc. 701 North Parkcenter Drive Santa Ana, CA 92705
Project Location:	3251 West Ramsey Street
APN Information:	537-090-064

REQUEST

The applicant, Tait & Associates on behalf of 7-Eleven, Inc. is requesting a determination of public convenience and necessity to allow the sales of beer and wine for off site consumption (Type 20) at a newly proposed 2,967 square foot convenience store (7-Eleven) with gasoline sales.

FINDINGS:

The proposed off-site beer and wines sales would be within a newly constructed 2,967 square foot convenience store (7-Eleven) on a 0.86-acre (37,349 square foot) site fronting Ramsey Street in the General Commercial (GC) zoning district. The beer and wine display area will not exceed 2% (25.4 square foot) of the gross floor area of the store. There will be no single sales of beer or malt beverage cans or bottles. Beer, wine coolers and malt beverages will be sold in manufacturer's pre-packages multi-unit quantities only. The site is located within the General Commercial (GC) zone. This district is the broadest of the City's commercial districts, allows food and drug stores; home improvement; auto sales, leasing, service and repair; department and general retail outlets; merchandise leasing; neighborhood serving retail and services; entertainment uses; gas stations; general offices (secondary to retail); mixed uses; and financial institutions.

The proposed use of alcohol beverage sales is allowed within a retail store, subject to the approval of a conditional use permit. The Planning Commission approved the conditional use permit and design review (DR) application on March 4, 2020, under CUP 19-8007 and DR 19-7015. The site conforms to the development standards and design guidelines of the Zoning Ordinance. The Department of Alcoholic Beverage Control (ABC) has made the determination the site is within an area of over concentration and is requesting confirmation that the City has determined that issuing a license to the applicant will serve the public convenience or necessity. The site is within Census tract 441.03, where ABC has determined an undue concentration exists.

An undue concentration exists if the proposed licensee is located within a census tract where the ratio of on-site or off-site retail ABC licenses to population exceeds the ratio that has been established by the ABC. The number of off-sale Type-20 licenses allowed in Census Tract 441.03 is three (3). The subject site is located within Census Tract 441.03. Per the ABC, there are 3 existing off-sale licenses within the tract. The proposed license would represent the 4th off-sale license in the tract, where only three (3) off-sale licenses are permitted.

Ramsey Street is the major commercially zoned street within the City, and it is anticipated that the street would have majority of the alcohol beverage sales

establishments within the City. Based on the following, the off-site of beer and wine sales at this location should be viewed as a public convenience.

1. The sale of beer and wine will be clearly incidental as evidenced by the relatively small display area for beer and wine.
2. Given the wide array of convenience merchandise and gasoline sold at the business, off-sale of beer and wine is anticipated to amount to a small percentage of gross sales at this business.
3. The alcohol license would be located on a site with adequate parking and lighting. As such, the incidental sale of beer and wine at this location would be a convenience to travelers and patrons staying in the area.
4. The proposal provides public necessity and convenience for the residents of the surrounding community. The proposal provides additional local retail services for the surrounding community in line with the General plan. In addition, the proposal will provide a convenience to local residents, jobs and overall economic growth in the community.
5. The proposal also provides public necessity and convenience for visitors in the community. Due to the tourist nature of this community there are a disproportionate number of existing licenses compared to typical census tracts to service visitors to the community. The proposal follows this trend of providing additional liquor consumption opportunities to the visitors of this community and thus furthering the economic stimulation that results from servicing these visitors.

The California Department of Alcoholic Beverage Control (ABC) may deny an application an ABC license unless the local governing body of the area determines that public convenience or necessity would be served by the issuance of the license.

FISCAL IMPACT

Staff believes that issuing a license will serve the community by providing a convenient location for the purchase of beer and wine, provide jobs, tax revenue and assist highway consumers traveling and staying in the surrounding area.

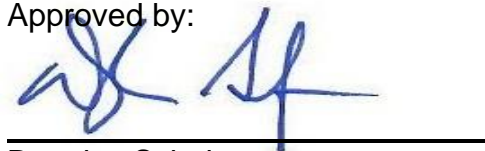
OPTIONS:

1. Approve as recommended
2. Do not approve and provide alternative direction

ATTACHMENTS

1. Planning Commission Resolution No. 2020-06
https://banningca.gov/DocumentCenter/View/7168/1-Planning-Commission-Reso-2020-06_adopted-20200304
2. 7-Eleven Objectives and Project Description
<https://banningca.gov/DocumentCenter/View/7169/2-Objectives-and-Project-Description>
3. ABC 245
<https://banningca.gov/DocumentCenter/View/7170/3-ABC-245>

Approved by:

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Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Matthew Hamner, Chief of Police
Jeff Horn, Captain

MEETING DATE: April 14, 2020

SUBJECT: Resolution 2020-50, Authorizing the Police Department to Purchase One (1) Chevrolet Tahoe Utility Patrol Vehicle through National Auto Fleet Group.

RECOMMENDATION:

The City Council adopt Resolution No. 2020-50, a Resolution of the City of Banning, California, authorizing the police department to purchase one (1) Chevrolet Tahoe Police Vehicle from National Auto Fleet Group in an amount not to exceed \$40,390.

JUSTIFICATION:

The requested black and white patrol vehicle will be utilized by patrol officers on a daily basis as they patrol and handle calls for service in the City of Banning.

BACKGROUND:

The Banning Police Department utilized a Chevrolet Tahoe Police Package vehicle for the K9 program. That vehicle (a 2009 Tahoe) is one of the oldest vehicles in the fleet. This will replace that vehicle with the possibility of converting it into a K9 vehicle if there is opportunity. The Banning Police Department received the quote from National Auto Fleet Group and is a piggyback purchase based on the agreement between the Riverside County Sheriff's Office and National Auto Fleet Group. This piggyback purchase has been vetted by the City of Banning's Purchasing Department who determined it is in compliance with Purchasing Policy B-30.

FISCAL IMPACT:

The cost of purchasing the new vehicles will be covered by existing funds in the Banning Police Department's Supplemental Law Enforcement Services Allocation Fund. Subsequently, no general funds are required for this activity.

OPTIONS:

1. Adopt Resolution 2020-50
2. Reject Resolution 2020-50 and provide direction to staff.

STRATEGIC PLAN OBJECTIVE:

This request supports the City's strategic goal related to "Public Health and Safety".

ATTACHMENTS:

1. Resolution 2020-50
<https://banningca.gov/DocumentCenter/View/7176/1-Resolution-2020-50-Purchase-of-Chevy-Tahoe>
2. National Auto Fleet Group
<https://banningca.gov/DocumentCenter/View/7177/2-Chevy-Tahoe-Quote-National-Auto-Fleet-Group>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Matthew Hamner, Chief of Police
Jeff Horn, Captain

MEETING DATE: April 14, 2020

SUBJECT: Resolution 2020-51, Authorizing the Police Department to purchase three (3) Ford Police Interceptor Utility Patrol Explorers through Fritts Ford under Riverside County PUARC # 1634.

RECOMMENDATION:

The City Council adopt Resolution No. 2020-51, a Resolution of the City of Banning, California, authorizing the police department to purchase three (3) Police Interceptor Utility Patrol Explorers through Fritts Ford in an amount not to exceed \$124,675, under Riverside County PUARC # 1634.

JUSTIFICATION:

The requested black and white patrol vehicles will be utilized by patrol officers on a daily basis as they patrol and handle calls for service in the City of Banning.

BACKGROUND:

On March 19, 2020, the Banning Police Department acquired a quote from Fritts Ford to purchase three (3) Ford Police Interceptor Utility Patrol Explorers in the amount of \$124,675. The quote is Based on "piggyback" pricing from the County of Riverside's Competitive Solicitation for Contract PURAC # 1634 for the purchase of patrol vehicles in which Fritts Ford was awarded for being the lowest, responsive and responsible bidder.

The agreement for vehicle purchases between the County of Riverside and Fritts Ford was vetted by the City of Banning's Purchasing Department who determined that this piggyback purchase is in compliance with Purchasing Policy B-30.

FISCAL IMPACT:

The cost of purchasing the new vehicles will be covered by existing funds in the Banning Police Department's Supplemental Law Enforcement Services Allocation Fund. Subsequently, no general funds are required for this activity.

OPTIONS:

1. Adopt Resolution 2020-51
2. Reject Resolution 2020-51 and provide direction to staff.

STRATEGIC PLAN OBJECTIVE:

This request supports the City's strategic goal related to "Public Health and Safety".

ATTACHMENTS:

1. Resolution 2020-51
<https://banningca.gov/DocumentCenter/View/7200/1-Resolution-2020-51-Purchase-of-3-Ford-Interceptor-Utility-Explorers>
2. RivCo RFQ PUARC-1634
<https://banningca.gov/DocumentCenter/View/7201/2-RivCo-RFQ-PUARC-1634>
3. Fritts Ford Agreement & Vehicle Specifications
<https://banningca.gov/DocumentCenter/View/7202/3-Agreement-and-Vehicle-Specifications>
4. RivCo Bid Recap
<https://banningca.gov/DocumentCenter/View/7203/4-RivCo-Bid-Recap>
5. Fritts Ford Bid
<https://banningca.gov/DocumentCenter/View/7204/5-Fritts-Ford-Bid>

Approved by:



Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

**PREPARED BY: Matthew Hamner, Chief of Police
Jeff Horn, Captain**

MEETING DATE: April 14, 2020

SUBJECT Resolution 2020-52: Authorizing the Police Department to use Innovative Emergency Equipment to Outfit Four (4) New Police Vehicles with Emergency and Safety Equipment in an Amount not to exceed \$13,416 per Vehicle for the Three (3) Ford Interceptors and \$14,760 for the One (1) Chevy Tahoe or \$55,008 Overall under Riverside County Contract #SHARC-05516-006-09/24.

RECOMMENDATION:

The City Council adopt Resolution 2020-52, a Resolution of the City of Banning, California, authorizing the Police Department to utilize Innovative Emergency Equipment to outfit three (3) new Ford Interceptors and one (1) Chevy Tahoe patrol vehicles with emergency and safety equipment in an amount not to exceed \$55,008, under Riverside County Contract #SHARC-005516-006-09/24. The project amount includes a 5% contingency.

JUSTIFICATION:

The new patrol vehicles will require the purchase and installation of equipment necessary for them to be deployed in the field. This equipment includes but is not limited to radios, computers, cameras, emergency lights, gun racks, seat cages, and other associated equipment.

BACKGROUND:

The contract the Banning Police Department is requesting to "Piggy Back" on for the installation of the required emergency and safety equipment was originally adopted on September 9, 2016 by the Riverside County Board of Supervisors and more recently

extended on November 19, 2019 by the Riverside County Board of Supervisors through September 30, 2024.

FISCAL IMPACT:

The cost for equipping the new vehicles and removing equipment from the old vehicles will be covered by existing funds in the Supplemental Law Enforcement Services Allocation (SLESA) account.

OPTIONS:

1. Adopt Resolution 2020-52
2. Reject Resolution 2020-52 and provide direction to staff.

STRATEGIC PLAN OBJECTIVE:

This request supports the City's strategic goal related to "Public Health and Safety".

ATTACHMENT:

1. Resolution 2020-52
<https://banningca.gov/DocumentCenter/View/7189/1-Resolution-2020-52--Innovative-Emergency-Equipment>
2. Riverside County Contract (SHARC-005516-006-09/24)
<https://banningca.gov/DocumentCenter/View/7190/2-RivCo-SHARC-05516-006-09-24>
3. Innovative Emergency Equipment Quote 3124
https://banningca.gov/DocumentCenter/View/7191/3-Est_3124_Ford-Interceptor-Outfit
4. Innovative Emergency Equipment Quote 3127
https://banningca.gov/DocumentCenter/View/7192/4-Est_3127_from_stealth-Ford-Interceptor-Outfit
5. Innovative Emergency Equipment Quote 3131
https://banningca.gov/DocumentCenter/View/7193/5-Est_3131_Chevy-Tahoe-Outfit

Approved by:



Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Sandra Calderon on behalf of Adam Rush

MEETING DATE: April 14, 2020

SUBJECT: Resolution 2020-29, Discuss and Consider Approving a twelve (12) month extension for Tentative Parcel Map 33326 located generally north of Sun Lakes Boulevard and east of Highland Springs Avenue; APN 419-140-057 granting the requested twelve (12) month extension.

RECOMMENDED ACTION:

That the City Council Adopt Resolution 2020-29

1. Conduct a Public Hearing on the extension of time for Tentative Parcel Map 33326; and
2. Approve a twelve (12) month extension of time for Tentative Parcel Map 33326.

JUSTIFICATION:

The property owner is currently processing a Specific Plan Amendment with the City to the Sun Lakes Village North Specific Plan that updates the Specific Plan document to amend the Specific Plan Land Use Plan from "Retail Commercial" to "Business Park" and "Professional Office" along the primary I-10 Freeway frontage and Commercial Retail along the Sun Lakes Boulevard frontage. The Specific Plan is also proposed to be amended to revise the permitted land uses; development standards (including maximum building height, setbacks, open space, landscaping, parking, and signage); the property owner request for the

extension is with the intent to develop a commercial center and requests the extension to allow for additional time for further planning and processing of improvement plans.

After approval of a tentative subdivision map, actions typically required to be completed by a property owner prior to final map approval include development of rough and precise grading plans, water and wastewater plans, stormwater pollution prevention plans, water quality management plans, final soils and hydrology reports, street improvement plans, and bonding for required improvements, along with completion of applicable map and environmental mitigation measures.

In accordance with California Government Code (CGC) Section 66452.6 (a) (1), the approval of a Tentative Map shall expire 24 months after it is approved. CGC Section 66452.6 (e) allows for extensions of time for approved tentative tract maps if an application for extension is submitted prior to its expiration. Tentative tract maps may be extended for a period or periods not exceeding a total of six years. Therefore, an approved tentative tract map may remain active for a total of eight years before expiring. Additional extensions of time may result from the filing of a final map for part of the property, or for acts of the State Legislature known as automatic "Legislative Extensions".

BACKGROUND:

During the March 13, 2018 City Council meeting, the Council conveyed concern to the property owner regarding the lack of development and overall progress concerning development of the property. The applicant's representative, Mr. Beau Cooper (from EUI Engineering) provided the Council a brief summary of the marketing and development efforts. The Council reiterated their concerns and indicated that the sixth (and last) extension will be viewed in light of future activity and progress to develop the property.

In this vein, the Community Development Department reached out to the property owner to discuss future development opportunities for the property. Staff quickly concluded that a Specific Plan Amendment (SPA) will be required to invigorate and modernize the Land Use Plan (LUP). As such, the City initiated a SPA effort in early February of 2020 after several months of discussions and negotiations with the development team. A Notice of Preparation (NOP) was transmitted in mid-February (concluding in mid-March) with a Community Meeting being held on Monday, March 9th at the Sun Lakes Clubhouse.

The proposed LUP amends the underlying Plan provides three major components: Industrial (I); General Commercial (GC); and Professional Office (PO). City staff intends to prepare a Subsequent Environmental Impact Report (SEIR) and bring a completely upgraded and revised LUP, along with the

environmental (e.g., CEQA) clearances. Presently, staff's schedule provides for public release of the SEIR by the end of June 2020. A tentative date for City Council is October of 2020.

HISTORY OF EXTENSIONS:

On March 28, 2006, by adoption of Resolution 2006-37, the City Council approved Tentative Parcel Map 33326 to allow the subdivision of the approximately 47.1-acre site into 14 Commercial Parcels ranging in size from 1.3 to 5.5 acres. The approval provided the applicant two (2) years in which to record the map (until March 2008).

In April 8, 2008, the City Council approved the first twelve (12) month extension of time for Tentative Parcel Map 33326 by adoption of Resolution 2008-38. Therefore, said tentative parcel map's new expiration date was March 28, 2009.

Actions by the State Legislature, specifically SB 1185, AB 333, AB 208, and AB 116, extended TPM 33326 until March 28, 2016.

On March 22, 2016, the City Council approved the second twelve (12) month extension of time for Tentative Parcel Map 33326 by adoption of Resolution 2016-17. Therefore, said tentative parcel map's next expiration date was March 28, 2017.

On March 14, 2017, The City Council approved the third twelve (12) month extension of time for Tentative Parcel Map 33326 by adoption of Resolution 2017-29. Therefore, said tentative parcel map's next expiration date is March 28, 2018.

On March 13, 2018, the City Council approved the fourth twelve (12) month extension of time for Tentative Parcel Map 33326 by adoption of Resolution 2018-26. Therefore, said tentative parcel map's next expiration date is March 28, 2019.

On April 23, 2019, the City Council approved the fifth twelve (12) month extension of time for Tentative Parcel Map 33326 by Minute Order 2019-066. Therefore, said tentative parcel map's next (current) expiration date is March 28, 2020.

If approved, this would **grant the sixth and last extension**; It will require the project proponent to record the subdivision map by March 28, 2021.

FISCAL IMPACT:

There are no direct fiscal impacts to the General Fund from this action. However, should the applicant record the subdivision map and obtain permits for the project, the City would receive development impact fees.

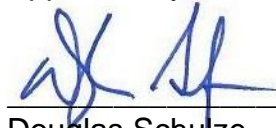
PUBLIC COMMUNICATION:

The proposed Tentative Map Extension was advertised in the Record Gazette newspaper on April 3, 2020. Additionally, notice was mailed to all property owners within 300 feet of the project. As of the date of this report, staff has not received any verbal or written comments for or against the proposal.

ATTACHMENTS:

1. Resolution 2020-29
<https://banningca.gov/DocumentCenter/View/7163/1-Resolution-2020-29>
2. Tentative Parcel Map 33326
<https://banningca.gov/DocumentCenter/View/7164/2-TPM-33326>
3. April 23, 2019 – Minute Order No. 2019-066
<https://banningca.gov/DocumentCenter/View/7165/3-2019-066>
4. Public Hearing Notice
<https://banningca.gov/DocumentCenter/View/7166/4-TPM-33326-PHN>

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Jennifer Christensen, Administrative Services Director

MEETING DATE: April 14, 2020

SUBJECT: Emergency Medical Services Billing Program Fee

RECOMMENDATION:

That City Council adopt a resolution approving the emergency medical services billing program fee schedule and related write-off policy.

BACKGROUND:

On March 24, 2020, the City Council directed staff to return with a resolution to implement an Emergency Medical Services Billing Program Fee and Related Write Off Policy modeled after the Cities of Indian Wells, Rancho Mirage and Palm Desert.

The emergency medical services billing program fee is paid by insurance. Insurance will be billed directly whenever possible. If insurance information isn't available, the statement will clearly indicate that the bill should be submitted to insurance for payment. No collection activities are proposed in the event a bill is not paid.

FISCAL IMPACT:

Based on the number of medical response calls for the City of Banning annually over the past five (5) years, the fee is anticipated to generate approximately \$400,000-500,000 annually after taking into consideration the costs of program administration.

OPTIONS:

1. Approve the recommended action and adopt a resolution approving the emergency medical services billing program fee schedule and related write-off policy.
2. Do not approve and provide alternative direction.

ATTACHMENT:

1. Resolution 2020-39
<https://banningca.gov/DocumentCenter/View/7234/Resolution-2020-39-Banning-Emergency-Medical-Services-Billing-002>

Approved by:

A handwritten signature in blue ink, appearing to read 'DS', is written over a horizontal line.

Douglas Schulze
City Manager



**CITY OF BANNING
CITY COUNCIL REPORT**

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Adam Rush, Community Development Director

MEETING DATE: April 14, 2020

SUBJECT: Discuss and Consider Zoning Text Amendment (ZTA No. 20-97501); amending Section 3.17.050 of Title 3 to reduce the tax rate on cannabis cultivation facilities, amending Chapter 5.33 of Title 5 to establish procedures for additional applications, and amending Chapter 17.21 and 17.54 of Title 17 to allow cannabis retailers to operate in the General Commercial zone and amend the development standards therein.

RECOMMENDED ACTION:

1. That the City Council review and discuss the proposed amendments, to Banning Municipal Code, that include the reduction of commercial cannabis cultivation facilities, establish procedures for processing additional retail cannabis dispensaries, and to also allow retail cannabis dispensaries in the General Commercial zoning district;
2. Provide possible additions, amendments, and recommendations to staff, and;
3. Refer the ordinance amendment to a Planning Commission public hearing in compliance with Title 17 of the Banning Municipal Code (BMC)

APPLICANT INFORMATION:

Applicant: City of Banning
99 E. Ramsey Street
Banning, CA 92220

Property: All parcels located in the Highway Serving Commercial (HSC); General Commercial (GC); or Industrial Zoning Districts

BACKGROUND:

On July 10, 2018 the City Council adopted Ordinance 1523; which established provisions for a Conditional Use Permit process for commercial cannabis cultivation within the Industrial zoning district. In addition to this ordinance, the City Council also adopted Ordinance 1527, setting Measure N on the November 2019 General Election Ballot. This Measure established the cannabis cultivation tax at \$15 per square foot of canopy space, but contained provisions allowing the City Council, without the vote of the people, to adjust this tax by either reducing the rate, or increasing the rate up to \$25 per square foot of canopy space.

The City of Banning held a General Election on November 6, 2018 that included Measures O and N; which established a general purpose tax on cannabis retailers, cultivation facilities, manufactures, and laboratory testing facilities. In addition, Measure N established the cannabis cultivation tax at \$15 per square foot of canopy space with a maximum rate of \$25 per square foot. Shortly thereafter, the City Council adopted two ordinance amendments that authorized cannabis retailers to develop within the City subject to a Conditional Use Permit (CUP) and regulatory permit process.

In January of 2019, the City accepted 24 applications for a retail cannabis regulatory permit and in accordance with the ordinance provision, City staff hosted a lottery on May 23, 2019 to determine the top three regulatory permit-eligible applicants. These three applicants would be eligible to immediately move forward with the Conditional Use Permit process and in fact, two of the three initial applicants have completed the CUP process. The City's first cannabis retail facility is currently under construction at 1474 W. Ramsey St. and the second is undergoing the building permit plan check review process, located at 2372 W. Ramsey St. In contrast, the last of the three lottery winners has yet to file a Conditional Use Permit and only has until May 23, 2020 to complete the entitlement process; the likelihood of which is highly improbable.

Lastly, City staff currently has two commercial cannabis cultivation applications under entitlement review. The first application was filed on October 25, 2019 and is located at the southeast corner of S. 8th Street and W. Lincoln St., the second commercial cannabis was filed in December of last year. This facility is located at 679 W. Lincoln Street. Both applications are moving through the development review process and staff anticipates sending both to Planning Commission by the late Spring to early Summer of 2020.

ANALYSIS:

Slightly over one year has passed since the City's Commercial and Retail Cannabis program came into effect. During this period, two retail cannabis dispensaries have been approved and two commercial cannabis cultivation

facilities are under review. Our Cannabis Program is not yielding the results anticipated when established back in late 2018. It is staff's opinion that such results are not derived from either a diminished interest or the lack of effort on the City's part to market, approach, and attract a commercial cannabis industry to Banning; moreover, the physical constraints of property locations, the availability of both land and vacant industrial buildings all combine with a precipitous rise in lease rates (both for industrial and retail properties) to create a narrow window in which a potential cannabis business can be established.

In addition, potential cannabis operations are challenged by the typical constraints provided by the "normal" development process. This is a process that is pervasive across all cities and counties in California and impacts every CEQA-level project. For novice applicants, the requirements for a substantial number of technical reports and special studies can be a serious impediment upon entitlement projects. A typical CEQA-level project can easily require 10-12 technical reports (e.g., Drainage, Hydrology, Geology, Water Quality, Cultural, Biological, Air/GHG, Noise, Lighting are all typical reports required of a "ground-up" project). The diagram below provides a graphical representation of this process:

Commercial & Retail Cannabis Site Selection



All of these constraints, both Real Estate and Entitlement related, combine to limit the number of viable applications that can actually come to fruition. If the Council chooses to widen the scope of permits to additional zones, or in additional numbers, or both, the City can create a “market window” that will facilitate more viable applications for both Commercial and Retail Cannabis businesses in the City of Banning.

FURTHER DISCUSSION:

The proposed Ordinance Amendment will, if adopted by the City Council, decrease the tax on commercial cannabis cultivation and increase the number of retail cannabis dispensaries by authorizing them in the General Commercial Zoning District. Additional options for the Council to consider; which is incorporated into similar Cannabis programs within surrounding municipalities.

- A) Cannabis Delivery – Pursuant to the revised state regulations every jurisdiction must accept cannabis delivery service even if the cultivation or sale of cannabis is restricted; however, delivery-only services are opportunities for additional licenses.
- B) Cannabis Distributor Transport Only (Type 11 license) – is responsible for transporting cannabis goods between licensees, but may not transport any cannabis goods, except for immature cannabis plants and/or seeds, to a licensed retailer or to the retailer portion of a licensed microbusiness.
- C) Microbusiness (Type 12 license) – for the cultivation of cannabis on an area less than 10,000 square feet and to act as a licensed distributor, Level 1 manufacturer, and retailer under this division, provided such licensee can demonstrate compliance with all requirements imposed by this division on licensed cultivators, distributors, Level 1 manufacturers, and retailers to the extent the licensee engages in such activities. Microbusiness licenses that authorize cultivation of cannabis shall include the license conditions described in subdivision (b) of Section 26060.1.

ENVIRONMENTAL DETERMINATION:

A. California Environmental Quality Act (CEQA)

The CEQA analysis is pending completion of the Zoning Text Amendment (ZTA).

B. Multiple Species Habitat Conservation Plan (MSHCP)

The MSHCP analysis is pending completion of the Zoning Text Amendment (ZTA)

ATTACHMENTS:

1. Draft Ordinance proposing Zoning Text Amendment No. 20-97501
<https://banningca.gov/DocumentCenter/View/7243/Attach-1--Draft-Cannabis-Ordinance>
2. General Commercial Zoning District Map
<https://banningca.gov/DocumentCenter/View/7244/Attach-2---General-Commercial-Zoning-District>
3. Chapter 3.17 – Cannabis Commercial Cultivation, Distribution, Manufacturing and Laboratory Testing Facilities Tax
<http://banningca.gov/DocumentCenter/View/7262/Attach-3---Chapter-317--Cannabis-Commercial-Cultivation-Manufacturing-and-Laboratory-Testing-Facilities-version2>
4. Chapter 5.36 – Cannabis Regulatory Permits
<http://banningca.gov/DocumentCenter/View/7263/Attach-4---Chapter-535-Cannabis-Regulatory-version2>
5. Chapter 17.53 – Cannabis Conditional Use Permits
<http://banningca.gov/DocumentCenter/View/7264/Attach-5---Chapter-1753-Cannabis-Conditional-Use-Permit-version2>

Prepared by:



Douglas Schulze
City Manager

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**CITY OF BANNING
JOINT CITY COUNCIL REPORT**

TO: CITY COUNCIL, BANNING UTILITY AUTHORITY &
SUCCESSOR AGENCY

FROM: Douglas Schulze, City Manager

PREPARED BY: Suzanne Cook, Deputy Finance Director
Jen Christensen, Administrative Services Director

MEETING DATE: April 14, 2020

SUBJECT: Adopt Resolutions approving: Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the City of Banning, Banning Utility Authority and the Successor Agency; the Capital Improvement Program for Fiscal Years 2019-2020; and Amending the Classification and Compensation Plan

RECOMMENDATION:

1. Adopt Resolution No. 2020-46 approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the City of Banning
2. Adopt Resolution No. 2020-05 UA approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the Banning Utility Authority
3. Adopt Resolution No. 2020-04 SA approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the Successor Agency Board
4. Adopt Resolution No. 2019-49 Amending the Classification and Compensation Plan
5. Authorize the City Manager, Administrative Services Director, Executive Director or designee to make necessary budget adjustments, appropriations, and transfers

JUSTIFICATION:

The budget is an evolving document throughout the fiscal year. Due to this reason, changes need to be made to the budget during the year to adjust the funds required to perform the necessary functions of the City. The proposed adjustments are based on reductions or increases in expenditures and revenues due to various reasons, which have been highlighted below:

GENERAL FUND

- Revenues:
 - Various deductions to taxes based on previous receipts and to adjust for projected losses from the current COVID-19 outbreak emergency.
 - Removed projected revenue related to Cannabis retail \$779,200 (Measure O) and Cultivation \$1,289,600 (Measure N) as actual revenues have not been realized during this fiscal year to date.
 - Increase in Building permit fees for improvements \$1,094,984 and Public work Permit fees \$942,000 and plan check fees \$118,640 related to developments.
 - Removed revenues for Special Events due to Coachella/Stagecoach being rescheduled to October from April.
 - Reduction in Rental and Class fees in Parks & Recreation due to COVID-19 required closures.
 - Reserve adjustments from designated to offset expenditures, reduce emergency reserve to minimum requirement of \$1.5 million add to revenue \$1,028,172 for use and \$50,000 from PEG reserves to use towards communication equipment for Council Chambers, and Measure J funds for new servers \$190,000, additional unrestricted reserves to balance the budget required \$650,000.
- Expenditures:
 - Police Department salaries & benefits reduced salaries expense to offset increase in overtime due to staff shortages with salary savings.
 - Increased Police Department computer hardware account \$190,000 for needed new servers, this will be offset from Restricted reserves for Public Safety from Measure J funds.
 - Public Safety dispatch and Code Enforcement salaries & benefits also reduced to offset increase in overtime due to staff shortages with salary savings,
 - Fiscal Services increase in Contract Employment to cover cost of temporary employee, reduced salaries expense to cover.
 - Increases to Parks for tree trimming safety concerns with trees, \$10,000; increase in grounds/fields \$4,000 backfilling of safety surfacing in two park playgrounds.
 - Increases in standby pay for Parks \$12,850 and Recreation staff working out of class \$5,000 not originally budgeted for interim staff coverage.
 - Aquatics increases in Maintenance equipment \$6,000 replacement of flange on main slide landing and \$6250 for replacement of lifeguard chairs.
 - Increases in Insurance \$51,645 and Computer services \$111,108 allocation costs to the general fund.

SPECIAL REVENUE FUNDS

GAS TAX

- Expenditures:
 - Reduction in Salaries & Benefits to cover costs of Overtime and Standby pay to cover shortages
 - Increase in Maintenance – Traffic signal of \$12,871
 - Decrease in Sidewalks \$15,000 to cover costs in Storm drain for manhole repair on Wilson.

ASSET FORTFEITURE/POLICE FUND

- Revenue & Expenditures:
 - Increase Revenue from fund balance to cover costs of vehicles purchased for Police Department total \$154,008

SUPPLEMENTAL LAW ENFORCEMENT FUND

- Revenue & Expenditures:
 - Increase Revenue from fund balance to cover costs of new vehicles for Police Department total \$200,000

BANNING UTILITY AUTHORITY FUNDS

WATER

- Revenue:
 - Reduced CA Department of Water IRWW Grant \$800,405 amount due to fully expense already.
 - Increase in Miscellaneous Revenues of \$115,077 related to Pardee
- Expenditures:
 - Increase in Pump Equipment expense \$78,663 well rehab and additional repairs
 - Increase in Reservoir Expenses \$39,400 OSHA safety improvements to Tank cleaning project.
 - Reduction of transfer to Irrigation Water Fund \$196,950 one-time transfer done in previous year.

WASTEWATER

- Expenditures:

- Decrease in Salaries & Benefits \$88,357 to cover contract services due to staff vacancies.
- Increase in Inter-fund allocations \$40,719

ENTERPRISE FUNDS

TRANSIT & DIAL-A-RIDE

- Expenditures:
 - Decrease Salaries & Benefits \$22,642 to cover overtime, working out of class, and incentive pay with salary savings due to shortage of staff. Salary savings to cover costs of additional FT bus
 - Inter-fund Service allocation increase \$9,808

ELECTRIC

- Revenue:
 - Overall Increase Revenue \$127,358 based on actual receipts received to date exceeding budget already.
 - Reserve adjustment of \$2.14 million from unrestricted/undesignated reserves to balance the operations budget
- Expenditures:
 - Increase in Salaries & Benefits \$108,818 for Overtime, Incentive pay,
 - Decrease in Inter-fund Service allocations \$67,460
 - Public benefits increase in Lease payments \$10,400 for vehicle.

REFUSE

- Revenue:
 - Adjustment to Franchise fee to account for revenue that was netted previously, \$841,280.
- Expenditures:
 - Increase in Salaries & Benefits \$10,000 to cover costs of Solid Waste Coordinator salary for one month.
 - Increase in Inter-fund allocations \$72,449

INTERNAL SERVICE FUNDS

RISK MANAGEMENT

- Expenditures:
 - Increase in Attorney Fees \$50,000 allocated across funds for various attorney services.

- Increase in Worker's comp premium \$28,450
- Increase in Property insurance premium \$48,287
- Increase in Liability insurance premium \$224,678
- Increase in Professional Services \$100,000 to cover legal expenses related to liability claims.

FLEET MAINTENANCE

- Revenue:
 - Increase in Sale of Surplus Property \$14,380
 - Decrease in Inter-fund allocations revenues \$206,267
- Expenditures
 - Decrease in Salaries \$6,869 to cover overtime and working out of class
 - Increase in Maintenance costs \$5,000 for miscellaneous repairs
 - Increase in Auto Parts \$35,000 for tires and miscellaneous repairs

INFORMATION SYSTEMS

- Expenditures:
 - Increase Computer Hardware \$25,000 additional laptops and computers
 - Increase in Computer Software \$15,000 Self-service payroll product and other software licenses for remote processes.
 - Increase in Communication Equipment \$200,000 for audio visual equipment for Council Chambers (offset by PEG fees for partial cost recovery) to be allocated among departments/funds.

UTILITY BILLING

- Expenditures:
 - Decrease Salaries & Benefits \$83,997 to cover contract employee costs.
 - Increase in Professional Services \$70,000 for contract employees.

CLASS AND COMPENSATION PLAN UPDATES

Reclassifications, Updated Job Descriptions or Reinstatements

- Public Works
 - Reclassify the Water/Wastewater Superintendent from Salary Range T78 to T85 and the Public Works Superintendent from Salary T78 to T83**

The update to the salary scale of the Water/Wastewater Superintendent and Public Works Superintendent Positions appropriately reflect the increasing demands of these positions, responsibilities, and expertise needed for the appropriate management of the operations under their supervision. Increasing the salary range will make the salary for these positions equitable to comparable manager positions across the City. The difference in the ranges between both Superintendent positions is related to the level of certifications

and training required and to the number of staff under the supervision. The increase will benefit the City with retention and recruitment in these two critical positions.

Additional Position

- Transit

Full Time Transit Driver Position, Salary Range G47

The Transit Division currently funds seven (7) full-time bus driver positions. Currently there is one full time driver that is on long-term medical disability leave for whom compensation is covered by our insurance carrier. The shortage in full time drivers and unreliability of on-call part-time drivers has commonly left the division with a shortage of drivers that has at time led to the shutdown of routes. This position will be funded by the salary savings currently realized due the absence of the current full-time driver on leave.

FISCAL IMPACT:

	Previous Budgeted Amount	Mid-Year Adjustments	Adjusted FY 19-20 Budget
Operating Revenues	96,010,483	4,995,837	101,006,320
Operating Expenses	97,614,709	682,704	98,297,413
Operating Surplus (Deficit)	(1,604,226)	4,313,133	2,708,907
Capital Expenditures	39,365,595	2,316,739	41,682,334
Total Budget	136,980,304	2,996,597	139,979,747

OPTIONS:

1. Adopt Resolutions approving the Proposed Mid-Year Budget Adjustments and amendments to the Classification and Compensation Plan
2. Provide direction to staff on amending the Proposed Mid-Year Budget Adjustments for Fiscal Year 2019-20.

ATTACHMENTS:

1. Fiscal Year 2019-2020 Mid-Year Operating Budget Adjustment Summary
<https://banningca.gov/DocumentCenter/View/7236/Attachment-1---FY-19-20-Mid-Year-Budget-Adjustments-Summary>
2. Budget vs Actual as of March 2020
<https://banningca.gov/DocumentCenter/View/7237/Attachment-2---FY-19-20-Budget-vs-Actual-Mid--Year>
3. Resolution No. 2020-46 approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the City of Banning with Exhibit "A" containing the details of the Mid-Year Operating & Capital Improvement Budget Adjustments
<https://banningca.gov/DocumentCenter/View/7238/Attachment-3---2020-04-14-Reso-2020-46-City-Mid-Year-Budget-Adj-FY20>
4. Resolution No. 2020-05 UA approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the Banning Utility Authority with Exhibit "A" containing the details of the Mid-Year Operating & Capital Improvement Budget Adjustments
https://banningca.gov/DocumentCenter/View/7239/Attachment-4---2020-04-14-Reso-2020-05-UA_Mid-Year-Budget-Adj-FY20
5. Resolution No. 2020-04 SA approving the Mid-Year Budget Adjustments for Fiscal Year 2019-2020 for the Banning Successor Agency with Exhibit "A" containing the details of the Mid-Year Operating & Capital Improvement Budget Adjustments
https://banningca.gov/DocumentCenter/View/7240/Attachment-5---2020-04-14-Reso-2020-04-SA_Mid-Year-Budget-Adj-FY20
6. Resolution No. 2020-49 amending the Classification and Compensation Plan with Exhibit A and Exhibit B
<https://banningca.gov/DocumentCenter/View/7241/Attachment-6---2020-04-14-Reso-2020-49-Amended-Class-and--Comp-Plan>
7. Position Costs for New Positions and Reclassifications
<https://banningca.gov/DocumentCenter/View/7242/Attachment-7---Position-Costs>

Approved by:



Douglas Schulze
City Manager

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CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Jennifer Christensen, Administrative Services Director
Suzanne Cook, Deputy Finance Director

MEETING DATE: April 14, 2020

SUBJECT: Emerging Fiscal Issues

RECOMMENDED ACTION:

That the City Council receive and file a report on Emerging Fiscal Issues for the Fiscal Years Ending 2021 and 2022 budget for the City of Banning.

BACKGROUND:

On March 10, 2020, the city council adopted a set of budgetary policies for the upcoming two-year budget period.

As noted during the budget policy discussion, a sound budget process encourages the development of organizational goals, establishes policies and plans to achieve those goals, and allocates limited resources through the process that are consistent with these goals, policies, and plans. There is also a focus on measuring performance to determine what has been accomplished with the allocated resources.

Budgeting should have a long-range perspective, and not simply be an exercise in balancing revenues and expenditures one year at a time. Sound budget policies encourage consideration of the longer-term consequences of budgetary decisions. All budget decisions need to be understood over a multi-year planning horizon to assess whether program and service levels can be sustained.

In general, the purpose of this Fiscal Issues Report is to highlight fiscal issues that are likely to occur within the next two years. There remain several emerging fiscal issues which will not be resolved until well after budget adoption in June. These include the impact of the state and federal budget actions on local jurisdictions including decisions to defer payments, the long-term

impacts on the local and global economy as a result of the coronavirus pandemic, labor negotiations, and pension costs as a result of CalPERS' portfolio performance.

This report does not intend to solve the fiscal issues presented, though discussion of potential solutions may be included. Instead this report highlights expected fiscal challenges for budget and planning purposes. The report is intended to provide council with an opportunity to set priorities about the use of city resources and illuminate key issues and choices facing the community as the City prepares for upcoming budget workshops and final budget adoption in June 2020.

SUMMARY:

Fiscal Issues Report for Fiscal Years 2020-22

The purpose of this report is to provide the City Council with an overview of significant fiscal issues that are expected to impact the City over the next two fiscal years. The issues contained in this report were selected based on an analysis of the areas in which the City faces potential losses of state or federal funding, maintenance and capital needs, and commitments to established funding plans. The issues presented have varying levels of likelihood of occurrence within the next two years, with some more certain than others, and some at the discretion of the City Council or other entities. The table below summarizes the issues included in this report and provides an estimate of the cost for each year. Where an item presents an ongoing funding challenge for future years beyond the period of the biennial budget, this is noted in the table.

	Fiscal Issue	FY 2020-21 Impact	FY 2021-22 Additional Impact
1	Transit Operations	\$100,000 (ongoing)	\$100,000 (ongoing)
2	Loss of County Public Safety Funding	\$500,000 (ongoing)	\$500,000 (ongoing)
3	Police Vehicle Replacement	\$200,000 (ongoing)	\$200,000 (ongoing)
4	Enterprise Resource Planning (ERP)	\$1.5 million (one-time)	\$1.5 million (one-time)
5	Water Pipeline Replacement	\$3 million (ongoing)	\$3 million (ongoing)
6	Deferred Maintenance (City Hall)	\$750,000-\$1 million (one-time)	\$750,000-\$1 million (one-time)

Transit

Transit operations present several financial challenges for the City including insufficient farebox revenue, staffing challenges and exposure to liability. The City's farebox revenue does not provide the required 10% match needed to meet its funding obligations, thus requiring support from the City's general fund in order to provide the match. Ridership continues to decline, while operating costs have steadily risen. In the most recent Triennial Performance Audit of City of Banning Transit, the operating cost per passenger has risen nearly 21% over the three-year period audited. In Fiscal Year Ending 2018, the general fund provided \$18,000 to backfill the amount not provided through fares. In Fiscal Year Ending 2019, the general fund contribution increased to \$78,000. For Fiscal Year Ending 2020, the amount of general fund contribution is projected to be approximately the same as the prior fiscal year, taking into account the increase in ridership after agreement with Beaumont in 2019 to avoid duplication of routes.

As a result of the coronavirus pandemic, ridership for transit agencies in Southern California such as Metrolink and Riverside Transit Agency has declined as much as 85%. Banning has experienced a similar reduction in ridership and will be closely tracking impacts on the system.

Exposure to liability from operations is also a growing risk and has suffered from a condition termed "social inflation", a term used by insurers to describe the rising costs of insurance claims resulting from things like increasing litigation, broader definitions of liability, more plaintiff-friendly legal decisions, and larger compensatory jury awards. While the core components driving social inflation have been evident for some time, their impacts on the insurance industry have only really started to come to a head in the past couple of years. The two areas that have been most impacted by social inflation are transit operations and public safety.

Public Safety Funding (Loss of County Funding and Vehicle Replacement)

With the expiration of the MOU with Riverside County in 2018, the City has suffered an ongoing loss of approximately \$500,000 per year to fund officers. On the other hand, the City continues to experience the effects of the location of Smith Correctional Facility just outside of the city limits. Inmates are released in Banning and impose additional costs on the city that are no longer offset by funding for officers. Although the City has engaged the County to revisit the expiration of the MOU and loss of funding, the County has not responded.

In addition, the police department has determined that it needs to replace 4 vehicles per year, in part due to the current MOU with BPOA which includes a provision for take-home vehicles for officers. The cost of a fully configured vehicle is approximately \$50,000, resulting in an annual expense of \$200,000.

Enterprise Resource Planning

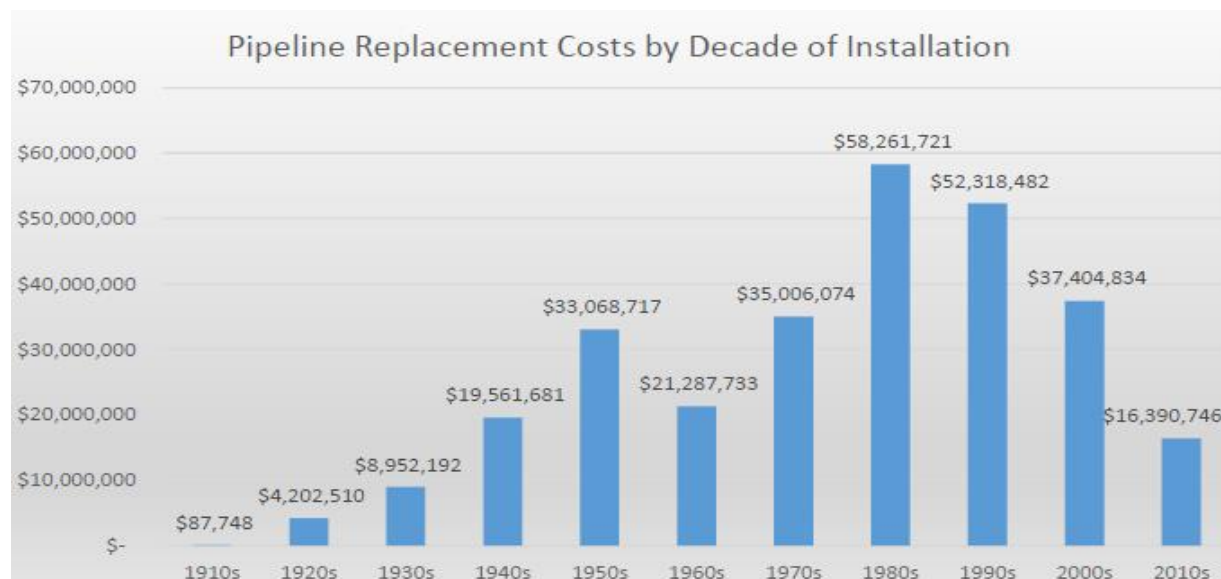
The City engaged a consultant to examine existing systems, goals, objectives and drivers, along with the resources, risks, costs and benefits for various options available to the City as parts of a Feasibility Study for an ERP system.

The opportunity exists to identify and address inefficiencies in the business processes, policies and procedures. Many current city processes continue to be manual and require extensive coordination. The cursory requirements evaluation shows considerable opportunity to automate manual processes as well as implement desired functionality that is not being performed at all.

The issue of an antiquated financial system as well as a need to be able to capture and report on data in all areas of municipal government is common across local jurisdictions throughout the county, the state and the nation. The need to automate functions and access data has become even more apparent in the face of the coronavirus pandemic.

Water Pipeline Replacement

The water pipeline system for the City of Banning dates back to as early as the 1910s and is understandably in need of ongoing maintenance as well as a dedicated replacement program. There are two important fiscal issues to recognize: the need for and cost associated with replacing the distribution pipeline installed pre-1950 and the need to prepare for and cost associated with replacing the distribution pipeline installed after 1950. As can be seen from the graph below, pipes installed pre-1940 make up a small fraction of the distribution system. However, the percentages climb steeply thereafter meaning that City of Banning will need to have a robust plan in place for funding increasing replacement costs as time goes on.



When considering inflation, the average annual cost of funding replacement for pre-1950 pipeline only is roughly \$2.9 million annually over a 14-year period. The current funding level for pipeline replacement is approximately \$500,000 annually, resulting in a growing backlog of deferred maintenance for the water pipeline. That still leaves an inventory of \$286.5 million dollars of pipeline that will require replacement over a much longer timeline.

Coronavirus Impacts

The coronavirus pandemic has already created catastrophic human and financial impacts around the globe. Just as the global economy has been deeply affected by the need for social distancing, so has the local Banning economy. It is unclear what economic recovery will look like, with economists debating whether we see a V-shaped (rapid) recovery or a U-shaped (gradual) recovery.

Aside from an estimated decline in sales tax revenue of approximately \$200,000 for Fiscal Year 2020-21, it is too early to predict impacts to other revenues of the City. It is worth noting that we anticipate declines in the discretionary revenue components of sales tax and transient occupancy tax as well as gas tax receipts that support street maintenance. Staff maintains ongoing communication with other jurisdictions and supporting organizations, including the League of California Cities, to ensure current updates and adjustments as they become available.

Looking Forward

In addition to the issues identified above, there are other potential issues that cannot be quantified at the present time because of federal or state policy uncertainty or economic uncertainty. It must be noted that while the economy has experienced an unprecedented shock and is expected to be the beginning of a difficult recessionary period, it is almost impossible to gauge the magnitude of the coronavirus pandemic on numerous sectors of the economy at this early juncture – in terms of unemployment, local business recovery, and long-term impacts on travel, hospitality and entertainment. Additionally, a full inventory of the city's deferred maintenance needs to be developed along with a plan for funding the city's capital and facility needs.

While the City has committed to a vision of economic development and growth, the present economic environment presents a significant challenge in terms of timing of that development and growth. The city's fiscal issues should be considered in the context of the City's primary and overarching budgetary and financial objectives of:

- Accountability/Transparency
- Fiscal Stability
- Full Cost Recovery
- Future Risks
- Service Levels
- Capital and Infrastructure Needs
- Employee Retention

ACTION:

1. Receive and file the report on Emerging Fiscal Issues.

ATTACHMENTS:

None

Approved by:



Douglas Schulze
City Manager



CITY OF BANNING CITY COUNCIL REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

MEETING DATE: April 14, 2020

SUBJECT: Contribution to Emergency Food Distribution Program

RECOMMENDED ACTION:

City Council discussion and consideration of a contribution to the Chamber of Commerce Emergency Food Distribution Program.

BACKGROUND:

The Banning Chamber of Commerce and other local non-profit organizations have collaborated to provide an emergency food distribution program. The first distribution event was held on Friday, April 3, 2020, at the City of Banning Community Center. Approximately 500 vehicles were provided with a bag of groceries. It is estimated that each bag was valued at over \$100.

The Chamber of Commerce paid over \$4,000 to purchase the food and another \$4,000 for the storage container. The City Council has been asked to consider a contribution to support the emergency food distribution program.

JUSTIFICATION:

Many community members have lost income due to response to COVID-19 and do not have money to purchase food. Unemployment benefits typically take at least two weeks to distribute after application and qualification.

FISCAL IMPACT:

To be determined based on City Council contribution.

OPTIONS:

1. Approve a one-time contribution to the Chamber of Commerce for the emergency food distribution program in an amount TBD.
2. Do not approve and provide alternative direction.

Approved by:

A handwritten signature in blue ink, appearing to read 'DS', is written over a horizontal line.

Douglas Schulze
City Manager